



September 20th, 2006

**JOINT PRESS RELEASE**

**MERGER-ACQUISITION OF MONEYLINE SA BY INGENICO SA**

Press release written pursuant to Article 12 of Directive n°2005-11 of December 13, 2005 for the enforcement of Title II of Book II of the General Regulation of the French Financial Authority (AMF)

**1 Introduction to the merger**

The companies Ingenico and MoneyLine announced, by joint press released dated June 29, 2006, the merger-acquisition of MoneyLine by Ingenico, with a exchange ratio of 52 Ingenico shares for 25 MoneyLine shares corresponding to 2.08 Ingenico shares for 1 MoneyLine share.

The companies signed a draft merger agreement on September 20, 2006 and the Ingenico and MoneyLine shareholders will now vote to approve the merger operation during a Extraordinary Shareholders' Meeting on October 31, 2006.

**2 Reasons for the merger**

The objective of the planed merger is to increase the new group's capacity and to assure its dynamic development by creating the European leader in the field of integrated electronic payment. The combined company will rely on the capable staffs that have made the two companies individually successful.

The merger of the two companies will create the leader in the field of integrated electronic payment solutions for mass retail and commerce, thanks to the combination of MoneyLine's Axis C3 solution with Ingenico's range of payment terminals, which are the most complete in the market.

MoneyLine's high quality solutions together with Ingenico's worldwide presence and vast application library will allow the new group to move quickly to meet the growth needs of its current customers by offering to support their expansion in Europe with a unique integrated payment solution, combining stability and a wealth of functionalities.

Furthermore, MoneyLine Banking Systems, a subsidiary of MoneyLine that sells innovative solutions to bank agencies in the check processing and self service unattended machines, will find strong synergies and growth opportunities within Ingenico, in France and abroad.

The combined company will also benefit from synergies between the activities of MoneyLine and those of Ingenico. The merger should allow for medium-term savings in logistics, purchasing and working expenses.

MoneyLine's shareholders will benefit through the merger from increased market liquidity and from anticipated appreciation of Ingenico stock price. The planed merger represents an

opportunity for the MoneyLine shareholders to join a much larger group with increased competitive position.

Moreover, the merger fits with Ingenico geographical strategy announced on September 20, 2005 and should strength the equity capital from the financial year 2006.

A merger-acquisition structure with MoneyLine being taken over by Ingenico was chosen to speed the merger and ease integration in the combined company.

### **3 Legal aspects of the merger**

#### **3.1 Basic introduction to the operation**

##### **3.1.1 Memorandum of Agreement dated June, 29, 2006**

Ingenico, MoneyLine and Mr. Marc Bonnemoy - the founder of MoneyLine, who holds 50.23% of the share capital and 66.76% of the voting rights, signed a Memorandum of Agreement on June 29, 2006 under which the two companies undertook to implement the planned merger of MoneyLine into Ingenico by October 31, 2006. Mr. Marc Bonnemoy undertook to vote for the planed merger during MoneyLine's shareholders' meeting.

The Memorandum of Agreement provides for an exchange ratio of 52 Ingenico shares for 25 Moneyline shares corresponding to 2.08 Ingenico shares for 1 MoneyLine share.

##### **3.1.2 Guarantee Agreement**

Ingenico and Mister Bonnemoy signed a Guarantee Agreement on June, 29, 2006 under which Mr. Marc Bonnemoy granted Ingenico, within the framework of the merger, usual guarantees concerning MoneyLine and its subsidiaries, and the conduct of their activities.

This guarantee has a duration of 18 months as from the execution of the merger and has a ceiling of 2 million euros until October 31, 2007 and 1.5 million euros after this date. Mr. Marc Bonnemoy may elect either payment by cash or remittance of Ingenico shares to realize this guarantee.

##### **3.1.3 Other commitments concerning Mr. Marc Bonnemoy**

The Memorandum of Agreement provides for Mr. Marc Bonnemoy to continue to provide his skills to the new group during a 3 year transitory period. Under the Memorandum of Agreement dated June 29, 2006, Mr. Marc Bonnemoy remains at Ingenico's disposal for 3 years, within the scope of a contract of services paying 360,000 euros net taxes per year, this amount corresponding to the current remuneration (including social charges) received as President Directeur General of MoneyLine. Furthermore, Mr. Marc Bonnemoy executed a non-competition agreement lasting 3 years, in consideration for which he is entitled to collect the balance of his remuneration if the service contract is cancelled before its 3 year term expires.

Mr. Marc Bonnemoy committed to a retention agreement whereby he will not sell his Ingenico shares received in the merger for 6 months. Every month following the merger, 1/6 of his Ingenico shares are released from this retention agreement.

Finally, within the scope of the end of his functions as leader of MoneyLine, Mr. Marc Bonnemoy will receive an indemnity of 186,000 euros upon completion of the merger.

##### **3.1.4 Equity Relationships – Joint Managers**

There is not any equity relationship between Ingenico and MoneyLine

To date, there is no joint manager nor joint administrator between the two companies.

## **3.2 The operation itself**

The operation consists of a merger-acquisition of the company MoneyLine by the company Ingenico

### **3.2.1 The merger draft agreement**

The draft merger agreement was signed by the two companies on September 20, 2006 and filed with the Commercial Court of Nanterre on September 21, 2006. A copy of draft merger agreement has been filled with the Ingenico and MoneyLine registered offices where all interested parties may examine it.

### **3.2.2 Financial statements used to determine the terms and conditions of the merger**

The terms and conditions of the merger have been determined on the basis of the two companies' financial statements of the financial year ended December 31, 2005.

### **3.2.3 Date of realisation and date of retroactive effect of the operation**

The merger-acquisition of MoneyLine by Ingenico and the corresponding Ingenico share capital increase will be effective on October 31, 2006, subject to the approval of the draft merger agreement at the Extraordinary Shareholders' meetings of the two companies.

Moreover, under the provisions of Article L.236-4 of the French Commercial Code, the merger will be retroactively effective as of January 1, 2006, for fiscal and accounting purposes.

Under Article L.236-1 of the French Commercial Code, MoneyLine will transfer to Ingenico all the components of its business on the effective date of the merger, in their state at that time.

### **3.2.4 Date of meetings of MoneyLine and Ingenico Boards of Directors for approving the operation**

The Boards of Directors of Ingenico and MoneyLine each approved the principles and the conditions of the merger.

The Boards of Directors of Ingenico and MoneyLine each met one additional time on September 20, 2006 in order to formally approve the draft merger agreement.

### **3.2.5 Tax regime of the operation**

The merger-acquisition of MoneyLine by Ingenico is subject to the tax regime provided for in Article 816 of the French General Tax Code and 301 A to 301 F of the Annex II of the French General Tax Code concerning registry fees; in Article 210 A of the French General Tax Code concerning the corporate income tax; and in Article 115-1 of the French General Tax Code.

## **3.3 Control of the operation**

### **3.3.1 Date of the general shareholders' meeting voting on the merger**

The merger will be subject to the approval of the Extraordinary General Shareholders' Meetings of Ingenico and MoneyLine. These meetings will be convened on October 31, 2006, at 10 am and 3 pm respectively.

### **3.3.2 Merger Appraisers**

By an order dated July 12, 2006, as requested in a joint motion of the two companies, the President of the Commercial Court of Nanterre has appointed Mr. Alain Abergel, domiciled 143 rue de la Pompe, 75116 Paris and Mr. Jean-Paul Seguret, domiciled 114 rue Maurice AUFAN, 92532 Levallois-Perret as merger appraisers.

Their reports will be made available for inspection by the shareholders at the registered offices of the two companies, within the legal time limit. The merger appraisers' report on the value of the contributions will be filed with the Commercial Court of Nanterre at least 8 days before the Extraordinary General Shareholders' meeting called to approve the merger, according to the regulations in force.

### **3.3.3 Fairness opinion of the proposed merger exchange ratio**

Sorgem Evaluation, represented by Mr. Maurice Nussenbaum, has been retained by MoneyLine to provide a fairness opinion of the value of MoneyLine resulting from the exchange ratio used in the framework of the merger between Ingenico and MoneyLine.

Sorgem Evaluation considered, on the basis of their evaluation, that the proposed value for the company MoneyLine on the basis of the proposed exchange ratio of 2.08 Ingenico shares for 1 MoneyLine share was financially fair for the MoneyLine minority shareholders. The report of Mr. Maurice Nussembaum, dated September 20, 2006, was sent to the members of the Board of Directors at the time of its meeting approving the draft merger agreement, and will be placed at the shareholders' disposal before the general meeting.

## **3.4 Consideration for the contribution**

According to the exchange ratio of 52 Ingenico shares for 25 MoneyLine shares corresponding to 2.08 Ingenico shares for 1 MoneyLine share, 1,882,764 Ingenico shares will be issued in exchange for 905,175 MoneyLine shares held by the MoneyLine shareholders (save for the 5,827 treasury shares which will not be paid for in the transaction).

Ingenico will conduct a share capital increase of 1,882,764 euros to increase the capital from 30,124,312 euros to 32,007,076, divided into 32,007,076 shares of 1 euro of nominal value each, the said shares will be distributed among MoneyLine shareholders according to the exchange ratio of 52 Ingenico shares for 25 MoneyLine shares

MoneyLine shareholders who hold an insufficient number of shares to exercise the totality of their rights will have to conduct their own sale or the purchase of sufficient shares to effect a full exchange.

The newly issued shares will be entirely assimilated with the former shares and be subject to all the statutory provisions. They will be issued with a right to dividends and interests on January 1, 2006. These newly issued shares will give the right to the distribution of dividends or reserves that may be decided by the Ingenico general shareholders meeting as from the definitive date of the merger.

As to the double voting rights attached to the MoneyLine shares, according to regulations, it is specified that those acquired within MoneyLine will remain exercisable within Ingenico according to the law and to Article 19 of Ingenico's articles of association. The double voting rights which are not acquired by the shareholders as of the effective date of the merger will be acquired with Ingenico taking into account the duration of the possession of Ingenico shares before the relevant merger.

Admission of the newly issued shares to the regulated market Euronext's Eurolist will be sought to be effective as from the realization of the merger.

## **3.5 Accounting of the capital contributions**

### **3.5.1 Designation and net value of the assets brought into business and the liabilities assumed**

Through the current transaction, the goods composing the assets of MoneyLine will be brought into Ingenico and registered on their account in accordance with their real value pursuant to regulation n° 2004-01 dated May 4, 2004 (the transaction involving companies under different control), taking into consideration that the distribution of an amount of 907,902 euros charged to the "share issue premium" account, approved by the Shareholder's Meeting held on June 30, 2006, have been registered on the liabilities' statement. Pursuant to article L. 236-3 of the French Commercial Code, the assets and liabilities are transferred in the condition that they were at the

moment of the conclusion of the merger. The assets are brought into business by MoneyLine at a value of 35,591,806 euros.

The liabilities transferred by MoneyLine amount to 4,610,450 euros.

The net assets brought into business by MoneyLine amount to 30,981,356 euros.

### **3.5.2** Details for the calculation of the merger premium

The difference between the net asset amount brought into business by MoneyLine (equal to 30,981,356 euros) and Ingenico's capital increase (equal to 1,882,764 euros), that is 29,098,592 euros, will constitute a merger premium that will be registered on Ingenico's liabilities' statement and to which will relate to all the old and new Ingenico shareholders' rights.

## **3.6** Setting of the exchange ratio

### **3.6.1** Proposed exchange ratio

The stock for stock merger ratio of 52 Ingenico shares to 25 MoneyLine shares corresponding to 2.08 Ingenico's shares to 1 MoneyLine share results from free negotiation between the parties.

### **3.6.2** Appraisal method

In order to determine the compensation of the merger-contribution of MoneyLine, an estimation of MoneyLine and Ingenico's relative value has been carried out, as well as an appraisal of their shares using usual appraisal methods. The selection of the adopted methods has been made taking into account the companies' specific characteristics, their size and their activities.

#### **(a)** Adopted methods

MoneyLine and Ingenico have conducted negotiations grounded on the appraisal of both companies and have arrived at the above mentioned stock for stock merger ratio.

In order to do so, the companies have used the two following appraisal methods :

- (i)** Discounted Cash-Flow method (DCF)
- (ii)** Stock Exchange Value method

#### **(b)** Rejected methods

The following methods were considered and rejected :

- (i)** The multiples of comparable companies ; the lack of relevance of this method in relation to MoneyLine's activities has prevented adoption of this method as a common one between the two companies. Indeed, MoneyLine participates in 2 different markets (electronic money systems and robots and banking scanners) in contrast with other comparable companies in the electronic money systems sector. In addition, the size of MoneyLine is 10 times lower on average than the main companies of the electronic money system's sector. Finally, MoneyLine is active mainly in France, while the other electronic money system sector listed companies participate in diversified international markets.

- (ii) The net assets: this method was not used because MoneyLine and Ingenicos' value does not necessarily reflect the historical value of their assets. Both companies have a considerable market history making the historical value of their assets diverge significantly from book value.
- (iii) Multiple of comparable transactions: The most recent public transaction and the most significant on the market segment is the one between Verifone and Lipman, which parameters of exchange are indexed on the multiples of both companies. With 'multiples' methods having been turned down, this method must also be rejected.
- (iv) Net profit per share and dividend per share : Ingenico's historical net results for the three last periods, and the distribution strategy of both companies for the last three years does not allow use of these methods, which have also been rejected.

(c) Discounted Cash-Flow Method (DCF)

The method consists in updating a cash flow net from the financing cash using an update rate that reflects the appraisal of the future income risks.

A business plan prepared by each company has been used for that purpose.

The results are shown in the following table :

Values in €	MoneyLine value per share (*)	Ingenico value per share	Inherent exchange rate	Stock for stock merger ratio	Premium on the inherent exchange rate
DCF Method	34.01	16.35	2.08	2.08	0%

(\*) After cash distribution of 1€/share as partial refund of share premium account

(d) Stock exchange value method

Closing values in € on 29 June 2006	MoneyLine value per share	Ingenico value per share	Inherent exchange rate	Value MoneyLine resulting from the application of the exchange parity of 2,08 taking into account the distribution of one euro per share	Premium compared with the MoneyLine share value
Closing on 29 June	30.30	16.35	1.86	35,01	15,5%
Average to 1 month	27.72	16.57	1.67	35,47	27,9%
Average to 3 months	32.07	17.27	1.86	36,92	15,1%
Average to 6 months	30.78	16.24	1.89	34,78	13,0%
Average to 1 year	30.01	14.04	2.14	30,36	1,2%

(e) Synthesis of the criteria used and the ratio adopted for the transaction

Closing values in € on 29 June 2006	Inherent exchange rate	Premium compared with the MoneyLine share value taking into account the distribution of one euro per share
DCF method	2.08	0%
Closing on 29 June	1.86	15.5%
Average to 1 month	1.67	27.9%
Average to 3 months	1.86	15.1%
Average to 6 months	1.89	13%
Average to 1 year	2.14	1.2%

As a result of the above mentioned elements, and after discussion between the parties, the adopted exchange rate was settled at 2.08 Ingenico shares for 1 MoneyLine share, that is 52 Ingenico shares to 25 MoneyLine shares.

### 3.7 Consequences of the merger

#### 3.7.1 Consequences for Ingenico and its shareholders

(a) Table showing the impact of the transaction on the equity capital

The following table shows the impact of the transactions on Ingenico's equity capital in its statutory accounts:

<b>Equity capital pro forma (statutory accounts in €)</b>	<b>Number of shares</b>	<b>Share capital</b>	<b>Primes, reserves and others (*)</b>	<b>Equity capital (*)</b>
Situation on 30 June 2006	30,124,312	30,124,312	133,612,151	163,736,463
Capital increase as a result of the merger	1,882,764	1,882,764		1,882,764
Share issue premium resulting from the merger	0	0	29,098,592	29,098,592
Situation after the transaction	32,007,076	32,007,076	162,710,743	194,717,819

(\*) Un-audited figures

(b) Ingenico shares and voting rights distribution before and after the transaction

The shares distribution before and after the transaction is the following :

<b>Shareholders</b>	<b><u>Before the transaction</u></b>				<b><u>After the transaction</u></b>			
	<b><u>Shares</u></b>		<b><u>Voting rights</u></b>		<b><u>Shares</u></b>		<b><u>Voting rights</u></b>	
	<b><u>Number</u></b>	<b><u>%</u></b>	<b><u>Number</u></b>	<b><u>%</u></b>	<b><u>Number</u></b>	<b><u>%</u></b>	<b><u>Number</u></b>	<b><u>%</u></b>
Insight Investment	2,734,432	9.08%	2,734,432	8.08%	2,734,432	8.54%	2,734,432	7.45%
Concert Tayninh	2,313,347	7.68%	3,105,726	9.18%	2,313,347	7.23%	3,105,726	8.47%
Jupiter	2,324,467	7.72%	2,324,467	6.87%	2,324,467	7.26%	2,324,467	6.34%
Wyser-Pratte Management Co. SA	1,754,790	5.83%	1,754,790	5.19%	1,754,790	5.48%	1,754,790	4.78%
Fidelity	1,693,745	5.62%	1,693,745	5.01%	1,693,745	5.29%	1,693,745	4.62%
CNCE	1,361,248	4.52%	1,361,248	4.02%	1,361,248	4.25%	1,361,248	3.71%
Autres détenteurs famille Poutrel	1,380,202	4.58%	2,760,404	8.16%	1,380,202	4.31%	2,760,404	7.52%
M. Thibault Poutrel	787,416	2.61%	1,574,832	4.65%	787,416	2.46%	1,574,832	4.29%
M. Jean-Jacques Poutrel	241,983	0.80%	483,966	1.43%	241,983	0.76%	483,966	1.32%
M. Michel Malhouitre	638,838	2.12%	1,240,888	3.67%	638,838	2.00%	1,240,888	3.38%
Merrill Lynch	614,894	2.04%	614,894	1.82%	614,894	1.92%	614,894	1.68%
<b>Shareholders (of reference)</b>	<b>15,845,362</b>	<b>52.60%</b>	<b>19,649,392</b>	<b>58.07%</b>	<b>15,845,362</b>	<b>49.51%</b>	<b>19,649,392</b>	<b>53.56%</b>
Other Shareholders	14,278,950	47.40%	14,185,839	41.93%	14,278,950	44.61%	14,185,839	38.67%
Shareholders MoneyLine	0	0.00%	0	0.00%	1,882,764	5.88%	2,848,115	7.76%
<b>Total</b>	<b>30,124,312</b>	<b>100.00%</b>	<b>33,835,231</b>	<b>100.00%</b>	<b>32,007,076</b>	<b>100.00%</b>	<b>36,683,346</b>	<b>100.00%</b>



(c) Evolution of the stock exchange capitalization

The merger transaction will involve the issuing of 1,882,764 new Ingenico shares. The share capital will be raised from 30,124,312 to 32,007,076 shares. On the basis of a stock exchange quotation of 17.1 euros per share (average of closing quotation registered during July-August 2006), Ingenico's stock exchange capitalization will pass from 515.13 million euros to 547.32 million euros, a progression of 6.25 %.

(d) Evolution of the size indicators

The merger operation will involve a contribution of a consolidated turnover, on the basis of the consolidated accounts for the financial year ended on December 31, 2005, of 26.8 million Euros, corresponding to an increase of 6.1% compared with the turnover of 436.9 million Euros realized in 2005 by Ingenico.

Ingenico's operating profit for the financial year 2005 totals +8.25 million Euros. In the same period, the operating profit of MoneyLine totals +3.21 million Euros. The operation involves, on the basis of the audited consolidated accounts of the financial year ended December 31, 2005, an increase in operating profit of 38.9%.

The Ingenico net consolidated cash on December 31, 2005, totaled -63,46 millions Euros; on the same date, the net cash of Moneyline is positive and totaled +3,47 million Euros. The operation also involves, on the basis of the audited consolidated accounts of the financial year ended December 31, 2005, an increase of the group net cash totaling 59.99 million Euros.

The number of the MoneyLine employees was 150, on December 31 2006, which represents an increase of 13.3% compared to Ingenico's manpower as of the same date.

**3.7.2** Consequences for MoneyLine and its shareholders

As a result of the acquisition by Ingenico, MoneyLine will be dissolved without liquidation. Its shareholders will receive in exchange for their 905,175 shares, 1,882,764 new Ingenico shares, representing 5.88% of the share capital after merger.

Distribution of the share capital and of the voting rights of MoneyLine on September, 15, 2006 after exercise of options.

Shareholders	Number of shares	% share capital	Number of voting rights	% of voting rights
Family Group Bonnemoy	456 030	50.06 %	912 060	66.61 %
Marc Le Mouel	2 560	0.28 %	2 570	0.19 %
Other nominative shareholders	8 691	0.95 %	16 762	1.22 %
Auto-controlled	5 827	0.64 %	0	0 %
Floating	437 894	48.07 %	437 894	31.98 %
<b>TOTAL</b>	<b>911 002</b>	<b>100 %</b>	<b>1 369 286</b>	<b>100 %</b>

(\*) Non audited figures

## **4 Presentation of the companies**

### **4.1 Ingenico's presentation**

Detailed information concerning Ingenico's legal situation, activity, accounts, recent evolutions and future projections are included in the reference document registered with the French Financial Market Authority (AMF) on June 1, 2006 under number R-06-081.

This document is available free on the AMF web site and upon request in writing to Ingenico's registered office, 192, Avenue du Général de Gaulle, 92200 Neuilly-sur-Seine, or by visiting Ingenico's web site ([www.ingenico.com](http://www.ingenico.com)).

In addition, Ingenico's interim situation as of June 30, 2006 has been stated and has been subject to a limited revision by the statutory auditors. It will be subject to publication in the Mandatory Legal Announcements Bulletin (Bulletin des Annonces Légales Obligatoires).

### **4.2 MoneyLine's presentation**

Detailed information concerning MoneyLine's legal situation, activity, accounts and recent evolutions are included in the reference document registered with the French Financial Market Authority (AMF) on June 14, 2006 under number R-06-98.

This document is available without charge on the AMF web site and upon request in writing to MoneyLine's registered office, 183, Avenue Georges Clémenceau, 92000 Nanterre, or by visiting the MoneyLine web site ([www.moneyline.fr](http://www.moneyline.fr)).

In addition, the MoneyLine's interim situation on 30 June 2006 has been stated and has been subject to a limited revision by the statutory auditors. It will be subject to publication in the Mandatory Legal Announcements Bulletin (Bulletin des Annonces Légales Obligatoires).

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**CONTACT INGENICO** : The activity of the Ingenico Group consists in the study and the production of electronic terminals for plastic payments.

Code ISIN FR0000125346 – EuroList Compartiment B  
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**MONEYLINE** : The MoneyLine Group carries out its activity as technology solutions provider for sales outlets and banking agencies through 2 divisions:

- the Banking division, specialized in automation of banking agencies, and a leader in checks treatments solutions, and

- the Payment division, specialized in electronic payment solutions, a leader in the French large-scale retail market.

Code ISIN FR000005428 – EuroList Compartiment C  
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