PRESS RELEASE

First half 2008 results
Adjusted operating margin of 10.7%
Adjusted profit from ordinary activities up by 41.4%

Neuilly, August 27, 2008

To facilitate comparison with the 2007 financial statements, some data in this press release refer to the adjusted income statement for the first half of 2008 and the adjusted income statement for the same period of the previous year. The adjusted financial statements differ from the IFRS financial statements in that they do not include acquisition related items nor acquisition related restructuring expenses. The basis of preparation for the adjusted financial statements can be found in Appendix 1.

- **Sales up by 20.6% at current exchange rates (24% at constant exchange rates)**
- **Very strong increase in adjusted gross margin to 37.2%, versus 34.5% in the first half of 2007**
- **Increase of 41.4% in adjusted profit from ordinary activities, to €33.5 million**
- **Adjusted operating margin of 10.7%, an increase of 1.6 pts over the first half of 2007**

Adjusted key data (€m)	H1 2007	H1 2008	Change
Sales	260.1	313.8	20.6%
Gross margin	89.8	116.9	30.2
Profit from ordinary activities	23.7	33.5	41.4%
% of sales	9.1%	10.7%	17.6%
Net profit	15.4	20.7	34.4%

Philippe Lazare, Ingenico's CEO, commented:

"Our results for the first half published today illustrate both the value creation of the *Sagem Monetel* acquisition and the improvements in managing the group. While the expected synergies from the acquisition will start appearing, as planned, during the second half of 2008, these results are highly encouraging and confirm that the group is very well positioned to consolidate its global leadership."

A. Half year results

Key figures

(€m)	H1 2007	H1 2008	Change at current exchange rates
Sales (IFRS)	260.1	313.8	20.6%
Adjusted profit from ordinary activities	23.7	33.5	41.4%
% of sales	9.1%	10.7%	1.6bp
Profit from ordinary activities (IFRS)	23.1	23.6	2%
Other operating income and expenses	(2.4)	(8.0)	N.A
Financial result (IFRS)	(2.9)	(2.3)	
Adjusted net profit	15.4	20.7	34.4%
Net profit (IFRS)	12.4	9.2	(25.8%)

	31.12.2007	30.06.2008	Change (€m)
Net Equity (IFRS)	195.5	447.9	252.4
(net debt) / net cash (IFRS)	(2.5)	57.5	60

Highlights of the first half

Three important events for the future of the group occurred during the first half:

- Finalization of the acquisition of the terminals business of *Sagem Sécurité*, consolidated as of March 31st, 2008;
- Conversion of the *Oceane* bond issue, leading to a steep increase in shareholders' equity (+€58m) and cash;
- Acquisition of the Chinese company, *Fujian Landi*, giving the group market leadership in this fast growing region. *Fujian Landi* will be consolidated with effect from June 30, 2008, with the only impact at that date being on the balance sheet.

In addition, the setting up of a new global Services unit and its global network which started operations during the first half gives Ingenico a unique position to respond to the new global demands of banks and retailers.

Sales

In the first half of 2008, sales amounted to €313.8 m. Growth was 24.4% at constant exchange rates and 10% on a like-for-like basis, i.e, including the sales of *Sagem Monete*l for the first half years of 2007 and 2008

This excellent performance was due not only to growth in Ingenico's own businesses but also to the integration of the terminals business of *Sagem Monetel* as of Q2 2008.

Most regions reported strong sales growth. This was particularly true of one of the largest ones, the EEMEA region (Eastern Europe, Middle East, Africa, India), which was able to leverage buoyant demand for terminals and posted record growth of 83%.

Very strong improvement in gross margin

There was a significant improvement in the adjusted gross margin in the first half, from 34.5 % in 2007 to 37.2% in 2008.

This result was due to the improvement in the gross margin of Ingenico's terminals and also to continuing margin improvements in Softwares and Services. This activity benefitted from ongoing efforts to adapt the cost base to sales, particularly in Services as well as lower warranty costs due to greater product reliability.

Slow growth in operating costs on a like-for-like basis, reflecting the group's expansion efforts

Overall, total adjusted operating costs amounted to €83.4m, versus €66.1m for the first half of 2007. €13m of this increase of €17.3m is attributable to changes in the scope of consolidation (Sagem, Planet).

The remaining part of the increase is the result of several factors:

- increase in the structural costs of integrating *Sagem Monetel*;
- costs incurred to expand the Services business;
- cost incurred to ensure software applications convergence.

These results for the first half of 2008 do not take into account of the synergies arising from the acquisition of *Sagem Monetel*, which will start making an impact from the second half of 2008 onwards, in particular purchasing synergies for *Sagem Monetel's* terminals and reduction in R&D expenses.

In summary, sales growth, a higher gross margin and cost control generated profit from ordinary activities of €33.5m, or 10.7% of sales, compared to €23.7m, or 9.1% of sales in the first half of 2007.

By way of comparison, i.e assuming that *Sagem Monetel's* results had been included in the first half of 2007 and 2008, sales would have been €342m and €367m respectively (i.e. a 10% growth at constant rate). Adjusted operating margins from ordinary activities would have been 9.7% and 11% respectively.

Operating profit reflecting the faster pace of integration of Sagem Monetel than originally forecast

The first half of 2008 recorded other operating expenses of €8.0m, of which €7.6m were essentially due to restructuring costs in relation to a reduction in staff at an R&D center.

Indeed, it was initially planned that the expenses leading to cost savings from the second half of 2008 onwards, would be recorded in 2009. The fact that they have been recorded in the first half of 2008 demonstrates the rapid pace of integration.

A financial result showing a very significant increase in net cash at June 30, 2008.

Because of the very substantial reduction in debt, net borrowings generated a gain of €0.5m, compared to a cost of €3.4m at June 30, 2007. Foreign exchange gains and losses and other financial income and expenses amounted to -€2.7m, primarily due to the fall of the dollar against the euro.

A very sound balance sheet with net cash of €57.5m and total equity of €447.9m

With cash flow from operations, after CAPEX, of almost €23m, an increase of 133%, the Group clearly demonstrates its profitability and its control over working capital. These cash flows and the conversion of the *Oceane* bond issue, which contributed €58m, more than offset cash outflows for dividend payments and share/*Oceane* purchases for a total of €25.2m. Overall, changes in the net cash position amounted to +€60m.

Total equity increased significantly, from €195.5m to €447.9, mainly as a result of the contribution of Sagem's businesses and the *Oceane* bond issue conversion.

B. Outlook

The second half of the year should see important sales increase, with an annual growth target of between 7% and 10% pro forma at constant exchange rates. Ingenico therefore expects its profitability to increase further and aims to achieve in 2008 an adjusted operating margin of 12% to 13%.

– End –

About Ingenico

Throughout the world, banks and retailers rely on Ingenico for secure and expedient electronic transaction acceptance. Ingenico solutions leverage proven technology, established standards and unparalleled ergonomics to provide optimal reliability, versatility and usability. This comprehensive range of products is complemented by a global array of services and partnerships, enabling businesses in a number of vertical sectors to accept transactions anywhere their business takes them.
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beyond
payment

APPENDIX 1

Basis of preparation of financial information

The summary consolidated financial statements presented in Appendix 2 have been prepared in accordance with IAS 34, "Interim Financial Reporting".

Complementary financial data, prepared on an (unaudited) adjusted basis and not in accordance with IFRS is also presented. In particular, adjustments have been made to the cost of sales, as well as the presentation of operating expenses and the profit from ordinary activities, to the operating margin and the net profit, excluding non-recurring expenses in relation to the acquisition, in 2008, of *Sagem Monetel*, merger-related restructuring expenses or expenses resulting from the accounting treatment of the merger. The latter comprise the amortization of the intangible assets recognized at the time of the merger and the cancellation of the accounting entry for inventories at resale value. Non-recurring expenses in relation to the merger are expenses that would not have been recorded if the merger had not taken place i.e. essential professional fees to ensure the success of the integration process. Merger-related restructuring expenses include costs in relation to the reduction in manning levels at Head Office (particularly termination benefits).

Ingenico considers that these indicators are nevertheless useful inasmuch as they provide extra information enabling a clearer assessment of the company's past and future financial performance. In addition, the company's management uses such indicators in the planning and assessment of its operational performance. This information may not be comparable to similar information disclosed by other companies, even if it goes under the same heading.

IFRS results and reconciliation between adjusted results and IFRS

In tables below, the company provides information enabling reconciliation between the IFRS income statement and the adjusted (unaudited) income statement for the half year ending on June 30, 2008 and for the half year ending on June 30, 2007. This reconciliation includes €4.3m of amortization and intangible fixed assets, €5.6m related to inventory revaluation and €7.6m of restructuring costs.
A more detailed description of the adjustments made to the IFRS income statement can be found below.

Consolidated income statement for the half year ending on June 30,2008.
Reconciliation of the IFRS financial statements and the (unaudited) adjusted financial statements

(€m)	IFRS financial statements	Merger-related expenses (1)	Inventory adjustments (2)	Amortization of intangible assets(3)	Adjusted financial statements
Sales	313.8				313.8
Cost of sales	(202.5)		5.6		(196.9)
Gross margin	111.3		5.6		116.9
Research and development	(28,6)			2.1	(26.5)
Sales expenses	(23.2)			2.2	(21,0)
General and administrative expenses	(35.9)				(35.9)
Operating profit from ordinary activities (EBIT)	23.6		5.6	4.3	33.5
Other operating income and expenses	(8.0)	7.6			(0.4)
Operating profit	15.6	7.6	5.6	4.3	33.1
Financial result	(2.3)				(2.3)
Taxation (4)	(4.2)	(2.5)	(1.9)	(1.4)	(10.1)
Net profit	9.2	5.1	3.7	2.9	20.7

(1) In 2008, merger related expenses: restructuring costs, which would not have been incurred if the merger had not taken place. These are very largely the costs relating to the adjustment of manning levels in the Barcelona R&D center. In 2007, includes all restructuring costs booked.

(2) Inventory adjustment: IFRS standards imply that the value of inventories of the acquired company is recognized at fair value on the day of the acquisition, minus the future cost of their sale. The effect of this inventory revaluation is to reduce margins when the inventories are eventually sold. It has been cancelled here to enable monitoring of the gross margin.

(3) The adjustments to intangible assets correspond to the amortization in Q2 2008 of the intangible assets recognized in relation to business combinations, i.e customer relationships and existing technologies or in-process research and development. The amount of this amortization, calculated for durations described in the note to the opening balance sheet of Sagem "payment terminals", was €3.4m, to which a pre tax €0.9m amortization charge for intangible assets related to previous acquisitions (MoneyLine, Planet) should be added.

(4) The tax rate on the restated figures is estimated on average for the group at 33.33%

Consolidated income statement for the half year ending on June 30, 2007.
Reconciliation of the IFRS financial statements and the (unaudited) adjusted financial statements

(€m)	IFRS financial statements	Merger-related expenses (1)	Inventory adjustments (2)	Amortization of intangible assets(3)	Adjusted financial statements
Sales	260.1				260.1
Cost of sales	(170.3)				(170.3)
Gross margin	89.8				89.8
Research and development	(19.3)				(19.3)
Sales expenses	(18.2)			0.6	(17.6)
General and administrative expenses	(29.3)				(29.3)
Operating profit from ordinary activities (EBIT)	23.1			0.6	23.7
Other operating income and expenses	(2.4)	3.9			1.5
Operating profit	20.7	3.9		0.6	25.2
Financial result	(2.9)				(2.9)
Taxation (4)	(5.3)	(1,3)		(0,2)	(6,8)
Net profit	12.4	2,6		0,4	15,4

APPENDIX 2

Balance sheet and income statement

A complete set of IFRS financial statements can be found on www. ingenico.com

1. INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	June 30, 2007	June 30, 2008
Revenue	**5**	**260,103**	**313,806**
Cost of sales		-170,281	(202,519)
Gross profit		**89,822**	**111,287**
Distribution and marketing costs		(18,157)	(23,234)
Research and development expenses		(19,307)	(28,560)
Administrative expenses		(29,302)	(35,863)
Profit from ordinary activities	**5**	**23,055**	**23,630**
Other operating income	6	3,208	73
Other operating expenses	6	(5,584)	(8,113)
Profit from operations		**20,679**	**15,590**
Net finance costs	7	(4,207)	(1,217)
Income from cash and cash equivalents	7	845	1,458
Other financial income and expenses	7	431	(2,495)
Profit before income tax		**17,748**	**13,336**
Income tax	**8**	(5,345)	(4,153)
Net profit		**12,403**	**9,183**
Attributable to:			
- INGENICO SA shareholders		12,437	9,164
- Minority interests		(34)	19

Earning per share

- basic	0.40	0.22
- diluted	0.38	0.22

beyond payment

2. INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

Assets

(in thousands of euros)	Notes	December 31, 2007	June 30, 2008
NON-CURRENT ASSETS			
Goodwill	9	106,324	226,935
Other intangible assets		23,576	101,527
Property, plant and equipment		17,829	23,415
Non-current financial assets		1,295	1,158
Deferred tax assets		19,391	22,427
Other non-current assets		2,338	4,858
Total non-current assets		**170,752**	**380,321**
CURRENT ASSETS			
Inventories	10	52,472	88,232
Trade receivables and related accounts		138,938	181,336
Other current assets		6,917	6,360
Current tax receivables		4,111	4,880
Derivative financial instruments	13	274	271
Short-term investments	12	21,338	11,076
Cash and cash equivalents	12	87,479	65,476
Total current assets		**311,529**	**357,632**
Total assets		**482,281**	**737,952**

Liabilities

(in thousands of euros)		December 31, 2	June 30, 2008
EQUITY	**11**		
Share capital		32,931	47,790
Share premium account		123,581	371,519
Retained earnings and other reserves		36,487	28,010
Translation differences		2,878	545
Equity attributable to INGENICO SA shareholders		**195,877**	**447,864**
Minority interests		**47**	**68**
Total equity		**195,924**	**447,932**
NON-CURRENT LIABILITIES			
Long-term debt	12	84,132	2,089
Provisions for retirement benefit obligations and assimilated commitments	15	6,115	6,874
Other non-current provisions	15	9,387	12,509
Deferred tax liabilities		835	26,253
Other non-current liabilities		1,697	7,509
Total non-current liabilities		**102,166**	**55,233**
CURRENT LIABILITIES			
Short-term borrowings	12	27,142	16,958
Other provisions	15	7,589	9,683
Trade and other current payables		110,260	164,687
Current tax payables		2,280	4,346
Derivative financial instruments	13	1,713	2,491
Other liabilities		35,209	36,623
Total current liabilities		**184,191**	**234,787**
Total liabilities		**286,357**	**290,021**
Total equity and liabilities		**482,281**	**737,952**

3. INTERIM CONSOLIDATED CASH FLOW STATEMENTS

(in thousands of euros)	June 30, 2007	June 30, 2008
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss)	12,403	9,183
Adjustments for:		
Share of profits of associates		
Income tax expense / (income)	5,345	4,153
Depreciation, amortization and provisions	14,232	9,447
Gains/losses on remeasurement at fair value	(79)	899
Gains/losses on disposal of assets	(3,056)	497
Elimination of net interest expense / (income)	2,260	621
Elimination of income from dividends	1	(1)
Share-based payment expense	3,158	4,438
Interest paid	(5,010)	(3,578)
Tax paid	(3,066)	(12,621)
requirements	**26,188**	**13,037**
Change in working capital requirements		
Inventory	2,288	(5,694)
Trade and other receivables	(14,645)	13,941
Trade and other payables	2,173	9,465
Net cash flow from operating activities	**16,005**	**30,749**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of non-current assets	(6,155)	(7,970)
Gains on disposals of non-current assets	3,260	73
Acquisition of subsidiaries, net of cash acquired		675
Disposal of subsidiaries, net of cash disposed of		0
Short-term investments	7,182	9,272
Loans and advances granted	(4)	(261)
Loan repayments received	194	511
Interest received	2,526	1,026
Dividends received	(1)	0
Changes in short-term investments	103	881
Net cash from investing activities	**7,105**	**4,209**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from share issue	3,533	69
Purchase of treasury shares	1	(8,093)
Issuance of debt	45,391	302
Repayment of debt	(58,239)	(32,270)
Changes in other financial liabilities	(29)	591
Change in value of hedging instruments		
Payment of cash dividends	(3,161)	(10,771)
Net cash flow from financing activities	**(12,504)**	**(50,172)**
Effect of changes in exchange rates	575	(1,096)
Equity component of convertible bonds		(3,061)
Change in cash and cash equivalents	**11,180**	**(19,372)**
Cash and cash equivalents at beginning of period	43,246	70,096
Cash and cash equivalents at end of period (1)	54,427	50,724

Comments

(1) Cash and cash equivalents		
UCITS (only portion readily convertible into cash)	33,444	28,499
Cash on hand	37,012	36,977
Bank overdrafts	(16,030)	(14,752)
Total cash and cash equivalents	**54,427**	**50,724**
UCITS (portion qualifying as short-term investments) recognized at fair value through profit and loss	44,179	4,763
Assets held for sale	8,046	6,313
Total cash and cash equivalents and short-term investments	**106,652**	**61,800**