



Q3 2017 and 9-month Revenue

OCTOBER 25TH, 2017

Q3 and 9-month revenue 2017 / Highlights

- **Q3'17 Revenue: €597m**

- Organic growth*: +6%
- Reported growth: +5%

- **9-month 2017 revenue: €1,819m**

- Organic growth*: +5%

- **Key Highlights: Acceleration towards our 2017 objectives**

- Back-end loaded year after a confirmed steadiness in North America
- Double digit growth in ePayments despite a tough comparison basis
- Resilience in Europe & Africa with growth fueled by Eastern Europe
- Growth in Middle East and Chinese stabilization offsetting Indonesian contraction

- **Guidance 2017 confirmed**

- Organic growth *: c.7%
- EBITDA margin slightly increasing vs. 2016 (20.6%)

Strategic highlights since beginning of 2017

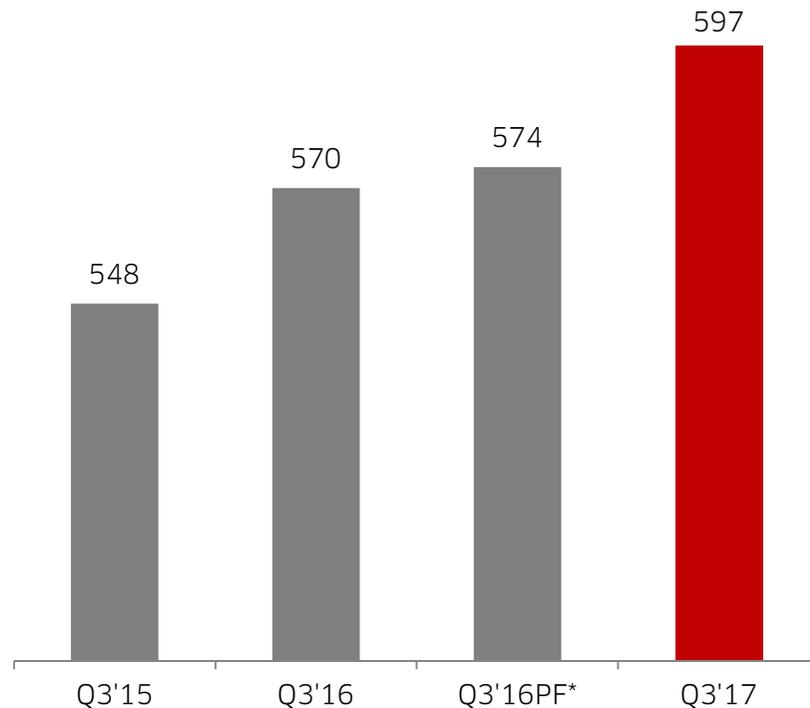
- **Bambora acquisition, strategic move towards payment services with disruptive approach**
 - Unique customer-centric technology solutions driving value for merchants
 - Merchant acquiring step change for the Retail business unit
 - Expanded global presence
- **Continuous bolt-on operations to strengthen our positions in payment services**
 - TechProcess, leading Indian online and mobile payment gateway
 - IECISA*, leading payment service provider in Spain and innovative payment solutions
- **Forefront operational developments**
 - Tetra continuous deployment (c.30% of shipments expected in Q4 2017)
 - Taylor-made and value-added services for our clients
 - Address nextgen payment solutions (Joinedapp, SlimPay, The Family, Luckycycle)
- **Operating model optimized and operational excellence plan (€20-25m costs efficiency**)**

* IECISA Electronic Payment System

** on a full-year basis

Q3'17 organic growth / +6%

Revenue (in €M)



Year-on year: +5%

- Organic impact: 6%
- FX impact: -€18m

By traditional business segments

- Terminals: +3%
- Payment Services: +11%

By new business segments

- Retail: +4%
- Banks & Acquirers: +7%

Q3'17 organic growth / Highlights per region

North America (-5%*)



B&A:

- Ongoing stabilization of the market, back-end loaded year
- Canada impacted by tough comparison basis

Retail:

- New verticals driven (Retail and hospitality)
- Mobile solutions dynamics

APAC & Middle-East (+8%*)



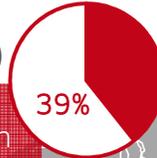
B&A:

- Successful deployment of the aPOS in China
- Normalization of the Indian market
- Performance in SEA excluding Indonesia
- Strong momentum in Middle East countries

Retail:

- Performance still driven by terminals with fiscal memory in Turkey

Europe & Africa (+4%*)



B&A:

- Strong resilience of Western Europe
- Electronic payment shift in Eastern Europe

Retail:

- In-store services fueled by Axis platform
- Integrated solutions combining hardware and payment services

Latin America (+10%*)



B&A:

- Brazil impacted by the macro situation but Retail segment seems to show a slight recovery
- Strong growth in other countries
- Tetra and managed services in Mexico

ePayments (+10%*)



Retail:

- Infrastructure enhancement and platform stability
- Continuous increase of client satisfaction
- Improving churn rate
- Increase in volumes collected



Focus on Brazil / Mainly a macro driven situation

- **Macro-economic situation down since 2 years***

- GDP down 3.6%/y in 2015-2016 after +2.3% CAGR from 2010 to 2014
- Unemployment rate surge from 6.8% in 2014 to 13.1% in 2017
- Household final consumption spending down 4%/y in average in 2015-16
- 2 years of shrinkage in retail sales
- GDP stabilization in 2017 (GDP expected to grow at +0.7%)

- **Moving competitive landscape**

- Traditional POS players to compete with acquirers own products range
- Acquirer market fragmentation as a result of Central Bank regulations
- Price competition from new entrants

- **Our key initiatives to address the market: improved situation going forward**

- Address a more fragmented acquirers market
- Dedicated range of products based on android solutions and entry level products

**Source: IMF World Economic Outlook (October 2017) and World Bank database (GDP data at constant price)*

2017 trends by region

	<u>Europe & Africa</u>	<u>North America</u>	<u>APAC & ME</u>	<u>Latin America</u>	<u>ePayments</u>
					
<u>Initial trends</u>	Flattish	Flattish	Double digit growth	Single digit growth	Double digit growth
<u>New trends</u>	Mid-single digit growth	Slight decrease to flattish	Double digit growth	Flattish to low single digit growth	Double digit growth
<u>Underlying factors</u>	<ul style="list-style-type: none"> • Strong momentum across Western Europe • Acceleration in Eastern Europe 	<ul style="list-style-type: none"> • Market stabilization • Expected strong Q4 2017 	<ul style="list-style-type: none"> • Slight growth in China • Dynamics in Middle East • Weakness in Indonesia 	<ul style="list-style-type: none"> • Weakness in Brazil • Double digit growth in other Latam countries 	<ul style="list-style-type: none"> • In line with expectations • Expected strong Q4 2017

Organic growth* : c.7% confirmed

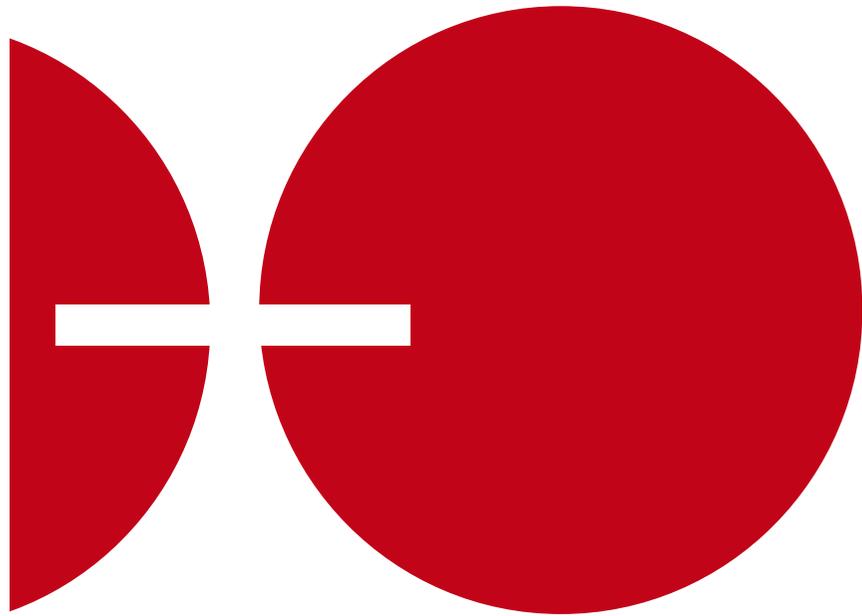
2017 objectives / Confirmed

Organic growth

c. 7%

EBITDA margin

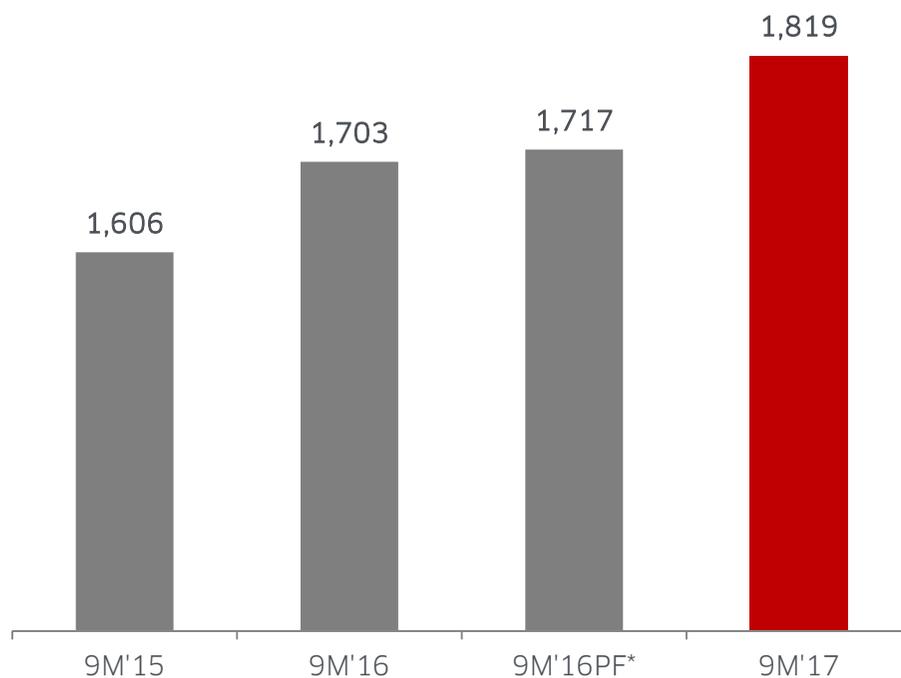
**Slightly
increasing
vs. 2016**



Appendices

9-month 2017 organic growth / +5%

Revenue (in €M)



Year-on year: +7%

- Organic impact: 5%
- FX impact: -€5m

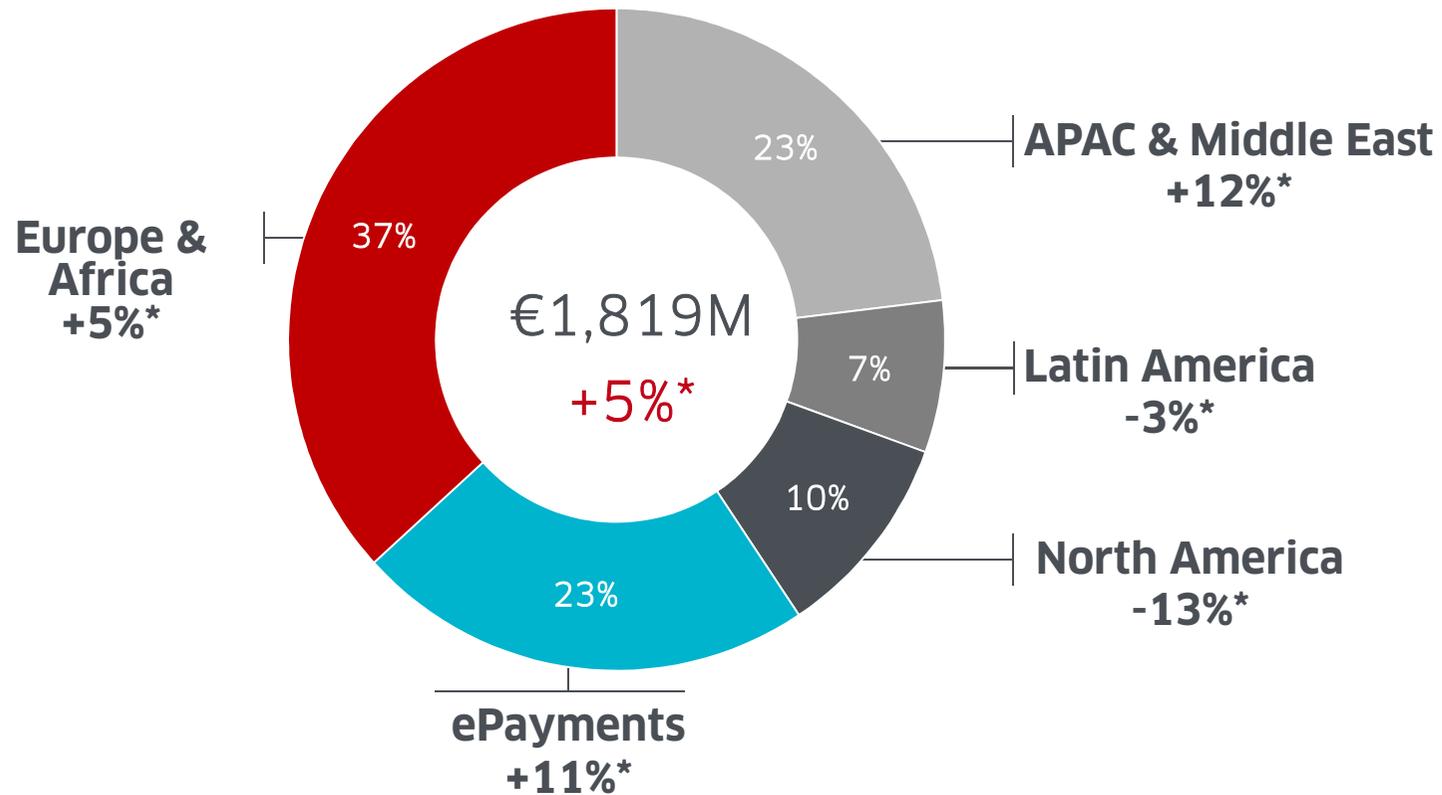
By traditional business segments

- Terminals: +3%
- Payment Services: +11%

By new business segments

- Retail: +3%
- Banks & Acquirers: +7%

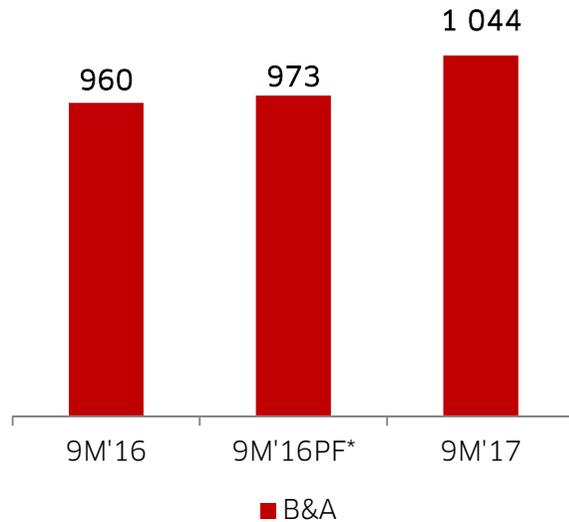
9-month 2017 / Revenue by region



*Growth rate at constant FX & scope

9-month 2017 / New organization

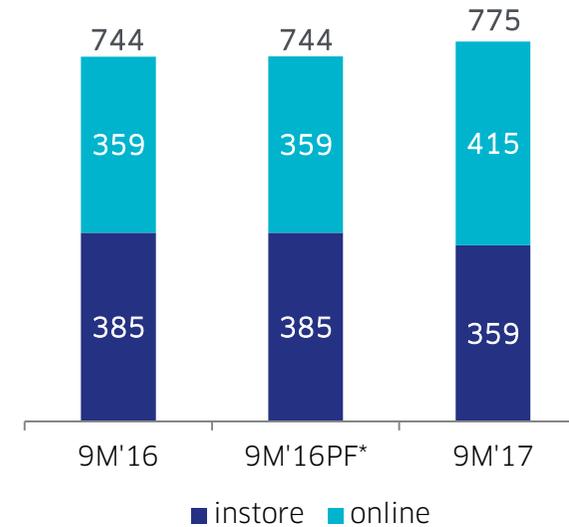
Bank & Acquirers



Like-for-like: +7%

- Resilient market in Europe
- Back-end loaded semester in North America
- Increasing estate management services

Retail



Like-for-like: +3%

- Traction of in-store services in Europe
- In-store globally impacted by tough comparison basis in North America
- Progressive ramp-up of omnichannel offer
- Continuous dynamic of ePayments

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