

H1 2012 Earning Results

July 26, 2012



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Agenda H1 2012

1. Review of Activities

Philippe Lazare – CEO

2. Financial Results

Patrice Durand – EVP Finance & Operations

3. Outlook 2012

Philippe Lazare - CEO

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Review of activities H1 2012



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H1'12: Outstanding results

- **Very strong revenue growth**

- Revenue: 542.3M€
- +23% on a reported basis
- +16% on a like-for-like basis

- **Significant growth across all regions and segments**

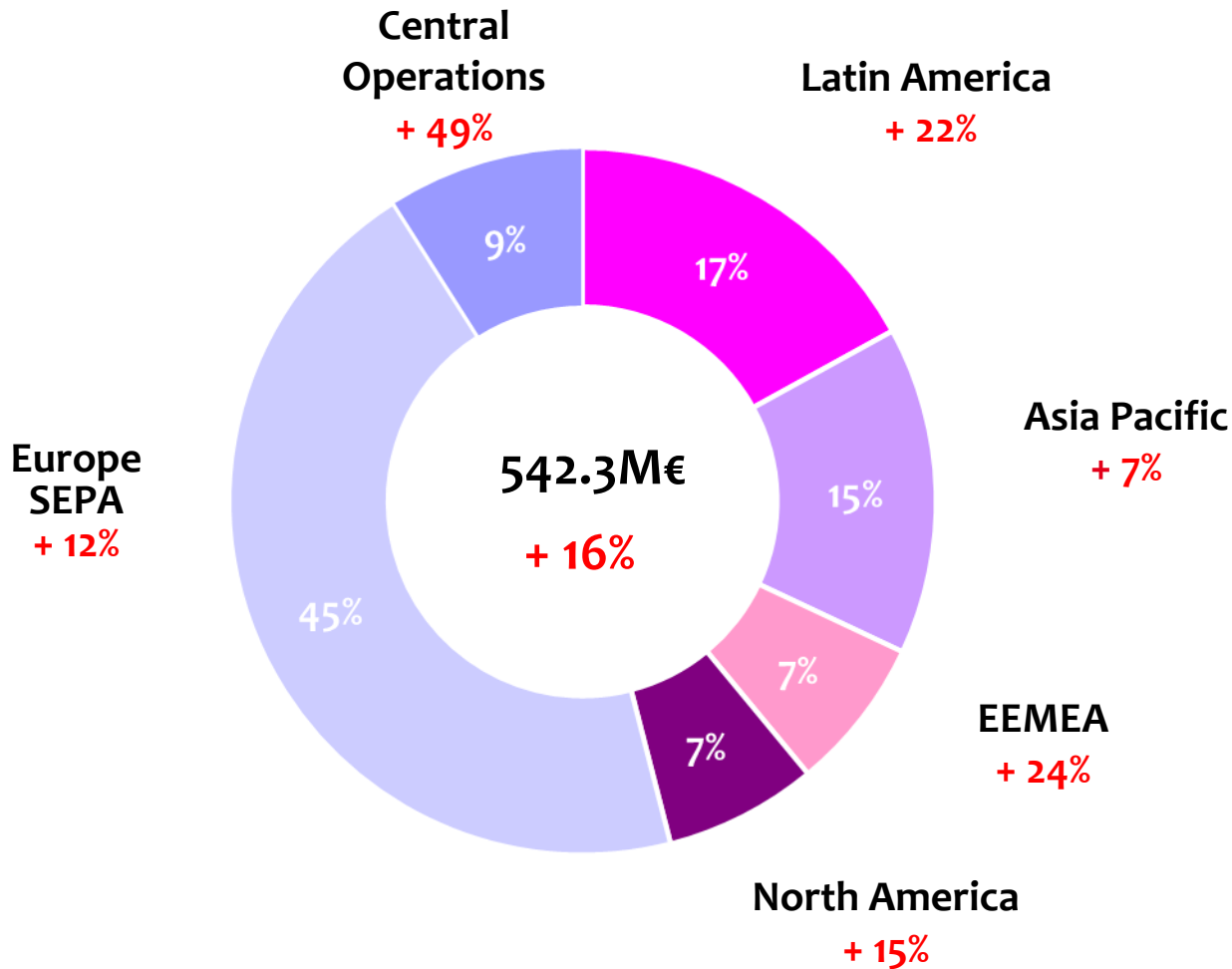
- **Proven ability to consolidate margins while investing in future sources of growth**

- **Net profit attributable to shareholders multiplied by 2.9**

- **2012 outlook confirmed**

- Like-for-like growth > 8.3%
- EBITDA margin \geq 18.3%

H1 2012: strong growth in all regions. International exposure as a key asset



*Growth rate at constant FX & scope

Very strong dynamic in payment terminals (+13%*): the right international presence

- **Benefiting from new competitive landscape**
- **Overperformed market in SEPA-Europe region despite macro environment**
 - UK: market share gain through security replacement cycle & deployment of contactless solutions
 - Gained traction in Central Europe
 - Consolidated its positions in all other major countries
- **Emerging markets remain key growth drivers**
 - Building on strong positions: China, Brazil
 - Acquired distributor in Russia
 - Still growth potential in South-East Asia, LATAM outside Brazil, Africa
- **Continued to progress in North America and notably in the US**
 - Market demand for new Telium products embarking EMV and NFC
 - Ready to capture growth driven by EMV migration
- **US market: gaining traction in the “bank card” channel to market with higher benefit expected in 2013**

*Growth rate at constant FX & scope



Very strong dynamic in payment terminals (+13%*): the right products

● The right range of terminals: fully part of retail experience

- ❑ The right form factors: color, touch screen, all-in-one terminal (iSMP)
- ❑ The right platform of applications



● All payment terminals are future proof

- ❑ NFC contactless embarked
- ❑ EMV: the Group DNA


● Terminal as a key differentiator in deploying easycash services

- ❑ One-stop-shop along with innovative terminals, such as iWL
- ❑ Renewal of unattended products on Telium 2 platform



● Leveraging XIRING product range to structure e-healthcare vertical offering

- ❑ Combined e-health hardware and service offering

*Growth rate at constant FX & scope


Continued strong dynamic on Transactions

Growth: +34%*, with TransferTo revenue x2.5 over H1 2011

● Continued growth of easycash services in Germany and expansion in several neighboring countries

- ❑ Increased usage of electronic payment in Germany
- ❑ Extending cooperation with existing customers on debit and credit card acquiring.
Ex: Max Bahr & Praktiker AG
- ❑ Good dynamic in deploying easycash services outside Germany

● Confirmed traction on front-end processing solutions across Europe

- ❑ Further penetration of Axis in France and UK
- ❑ Deploying the Avis contract across >20 countries

● Accelerated growth derived from Value-Added Services

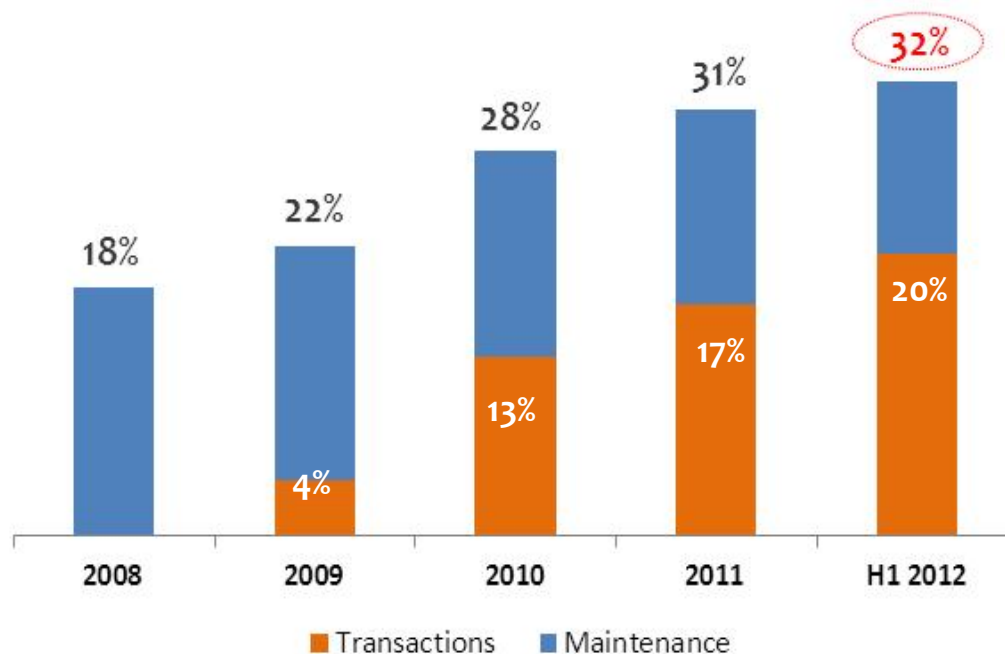
- ❑ TransferTo growth approaching +150% over H1 2011

*Growth rate at constant FX & scope

Confirming evolution towards a new Group profile

Recurring revenue: 32% total revenue

- **20%: revenue from Transactions in H1 2012 (+300 bpts)**



- **Increased contribution of Transactions enabling more direct relations with merchants**
- **Continue to capitalize on installed payment terminal base of >17 million to generate recurring maintenance revenue**

*Revenue derived from transactions, servicing & maintenance

Proven ability to consolidate high level margin while investing for future growth

● Expanding EBITDA: 80.0M€

- EBITDA: +26%*
- EBITDA margin: 14.8%, +80 bpts*

● while continuing to invest for future growth

- US market
- Healthcare
- Mobile payment
- Transaction platforms

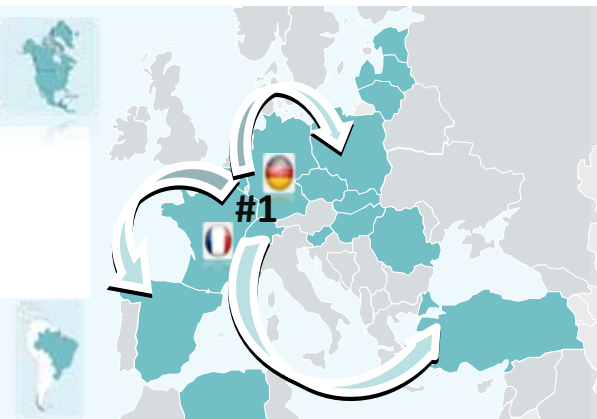
*vs. H1'11 pro forma restated

Investing towards the US market

- **Penetrating “bank card” channel to market with higher benefit expected in 2013**
- **Started to secure major processors relationship as a pre-requisite to enable the penetration of the Independent Sales Organizations (ISOs)**
 - ❑ **Chase Paymentech**
 - ❑ **Vantiv**
- **Secured the top 3 distributors**
 - ❑ **The Phoenix group**
 - ❑ **POS Portal**
 - ❑ **TASQ**
- **Started to sign contracts with ISOs**
 - ❑ **Saygent**
 - ❑ **FAPS**

Investing in e-healthcare and id products through XIRING integration

Leveraging unique position in France and Germany to address emerging programs in Europe and beyond



Leveraging existing Healthcare/e-ID product range while sustaining innovation



A global vision of security needs for e-Health and e-ID schemes



Investing in the mobile payment space by combining ROAM Data and Ingenico assets

- **Increased stake in ROAM Data to address mobile POS opportunity**
- **Mobile POS: the opportunity to extend addressable market**
 - Mobile POS market: an untapped market for card payment
 - Small & micro merchants have not historically used a POS terminal due to unjustified ROI
 - 75% of devices shipped to date went to merchants who did not previously accept cards
- **Combining ROAM's experience of mobile POS solutions on the US market with Ingenico's global reach and EMV expertise to:**
 - Extend card acceptance to new segments in mature markets
 - Accelerate penetration in emerging markets
- **Complete product range addressing mobility for micro/small merchants & organized retail**



= full m-POS solutions for organized retail

H1 2012 at a glance

- **A diversified international exposure**
- **The right and innovative payment terminal product range**
- **An increasingly diversified customer basis**
- **Growing contribution of Transactions and Services in total revenue**
- **Capacity to consolidate high level of margins while investing for future growth into the healthcare vertical and mobile payment**

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Financial Results H1 2012



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Basis of presentation for H1 2012 financials

● For better appreciation of the Group's performance

- ❑ Operating performance and income statements in this presentation are prepared on an adjusted basis, i.e. exclude the impact of PPA amortization (IFRS3)
- ❑ 2011 pro-forma financial data include 2011 acquisition of TNET, paycom and XIRING
- ❑ In 2012, Fx gains and losses (including hedging) are reported in the income statement depending on their nature: as a consequence, operational fx results are now booked in gross profit. 2011 and 2012 financial data are reflecting this change in methodology
- ❑ 2012 financial data include ROAM Data contribution starting February 2012

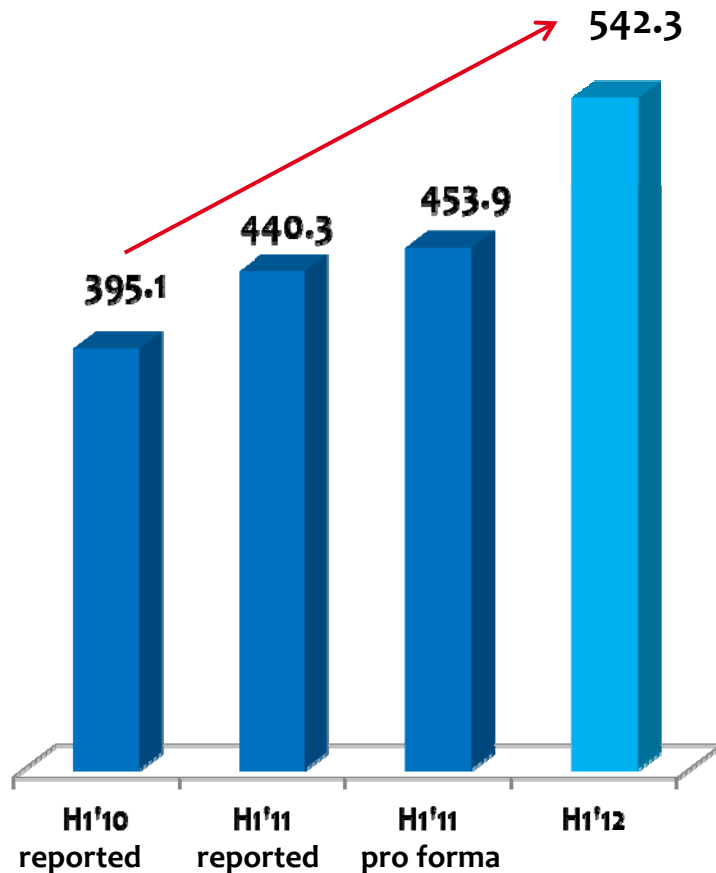
Strong operational performance

In M€	H1 2012	H1 2011 Proforma restated	H1 2011 Reported restated	Changes	
				vs. H1 2011 Proforma restated	vs. H1 2011 Reported restated
Revenue	542.3	453.9	440.3	+16%*	+23%
Gross Profit	226.4	177.3	170.1	+28%	+33%
<i>In % of revenue</i>	41.7%	39.1%	38.6%	+260 bps	+310 bps
EBITDA	80.0	63.5	60.7	+26%	+32%
<i>In % of revenue</i>	14.8%	14.0%	13.8%	+80 bps	+100 bps
EBIT	66.4	50.1	48.8	+32%	+36%
<i>In % of revenue</i>	12.2%	11.0%	11.1%	+120 bps	+110 bps
Net profit, attributable to shareholders	31.5	NA	11.0	n/a	+186%

*Growth rate at constant FX & scope

Very strong top line growth

Revenue (in M€)



● Year-on year: +23%

□ Positive FX impact: +9.6M€

□ Contribution of acquisitions in 2012: +4.1M€

● Like-for-like: +16.5%

● +12.9%: growth derived from Terminals (hardware, servicing & maintenance)

□ Volume growth

□ Continued increased contribution of mobile & contactless terminals

● +33.7%: growth derived from Transactions

□ Growth in all segments

□ Growth acceleration driven by TransferTo

□ +13.8%: growth excluding TransferTo

Terminals: very strong improvement of gross profit

Terminals (Hardware, Servicing & Maintenance)

<i>In M€</i>	H1 2012	H1 2012 / H1 2011 PF restated
Revenue	432.8	+12.9%*
Gross Profit	188.6	+28.5%
<i>In % of revenue</i>	43.6%	+44bps

- Very strong revenue growth
- Favorable product mix
- Continuous improvement of production costs due to supply chain efficiencies

*Growth rate at constant FX & scope

Transactions: robust fundamentals

Transactions

<i>In M€</i>	H1 2012	H1 2012 / H1 2011 PF
Revenue	109.4	+33.7%*
Gross Profit	37.8	+23.7%
<i>In % of revenue</i>	34.6%	(370bps)
<i>Excluding impact of TransferTo</i>	44.6%	+30 bps

- As expected, gross margin impacted by dilutive effect of higher contribution of TransferTo
 - Excluding Transfer To, gross profit of Transactions increased by 30 bpts

*Growth rate at constant FX & scope

Operating expenses to fuel Group development

In M€	H1 2012	H1 2011 pro forma restated	H1 2011 reported
Research & Development	41.7	35.3	34.2
Sales & Marketing	49.8	37.5	35.6
General & Administrative	68.6	54.4	51.5
Operating expenses	160.0	127.2	121.3
<i>In % of revenue</i>	29.5%	28.0%	27.5%

- R&D costs increase to support penetration in the « bankcard » channel in the US, mobility and transaction business
- Sales & Marketing costs increase reflecting commercial performance, reinforced marketing function initiated in 2011 and financing future growth (US market, mobile payment)
- General & Administrative costs increase reflecting reinforced support at Group and regional levels initiated in 2011
- H2 opex should stabilize at a level in line with H1'12 opex

*excluding PPA

From EBITDA to EBIT

<i>In M€</i>	H1 2012	Actual H1 2011 Pro Forma restated	Actual H1 2011 reported restated
EBIT	66.4	50.1	48.8
<i>In % of revenue</i>	<i>12.2%</i>	<i>11.0%</i>	<i>11.1%</i>
Amortization & Depreciation	15.9	13.7	12.2
Provision for liabilities & warranty	(3.3)	(2.7)	(2.7)
Share-based payment	1.1	2.4	2.4
EBITDA	80.0	63.5	60.7
<i>in % of revenue</i>	<i>14.8%</i>	<i>14.0%</i>	<i>13.8%</i>

Net profit attributable to shareholders multiplied by 2.9

In M€	H1 2012	H1 2011 restated	
EBIT	66.4	48.8	
<i>in % of revenue</i>	12.2%	11.1%	
Purchase Price Allocation	(13.6)	(13.9)	
Adjusted EBIT	52.8	34.9	
Other income & expenses	+4.2	(5.8)	Impact of ROAM Data share reevaluation after taking control in February 2012 (+8.6M€)
Operating income	57.0	29.1	
Financial result & Equity Method	(7.2)	(13.0)	
Income before tax	49.8	16.1	
Income tax	(16.0)	(5.1)	Higher tax rate mainly due to higher contribution of entities supporting higher tax rate
	31.5%	29.5%	
Net Profit	33.7	11.0	
Net Profit, attributable to shareholders	31.5	11.0	

Net debt

In M€	H1 2012	H1 2011
Net debt as of January 1	109.7	109.1
EBITDA	80.0	60.7
Working capital changes	(44.7)	(38.9)
Capex	(22.4)	(11.9)
Net Operating Cash Flow	12.9	9.9
Other income & expenses	(5.2)	(5.8)
Interest and tax paid	(23.9)	(18.2)
Net free cash flow	(16.2)	(14.1)
Dividend paid	(11.5)	(5.3)
Acquisitions net of disposals	(20.1)	-
Convertible bond (IFRS)*	(1.5)	31.5
Others	4.4	2.5
Change in net debt	(44.9)	14.6
Net debt as of June 30	154.6	94.5

*IFRS treatment of convertible bond including equity component, accrued & capitalized interests

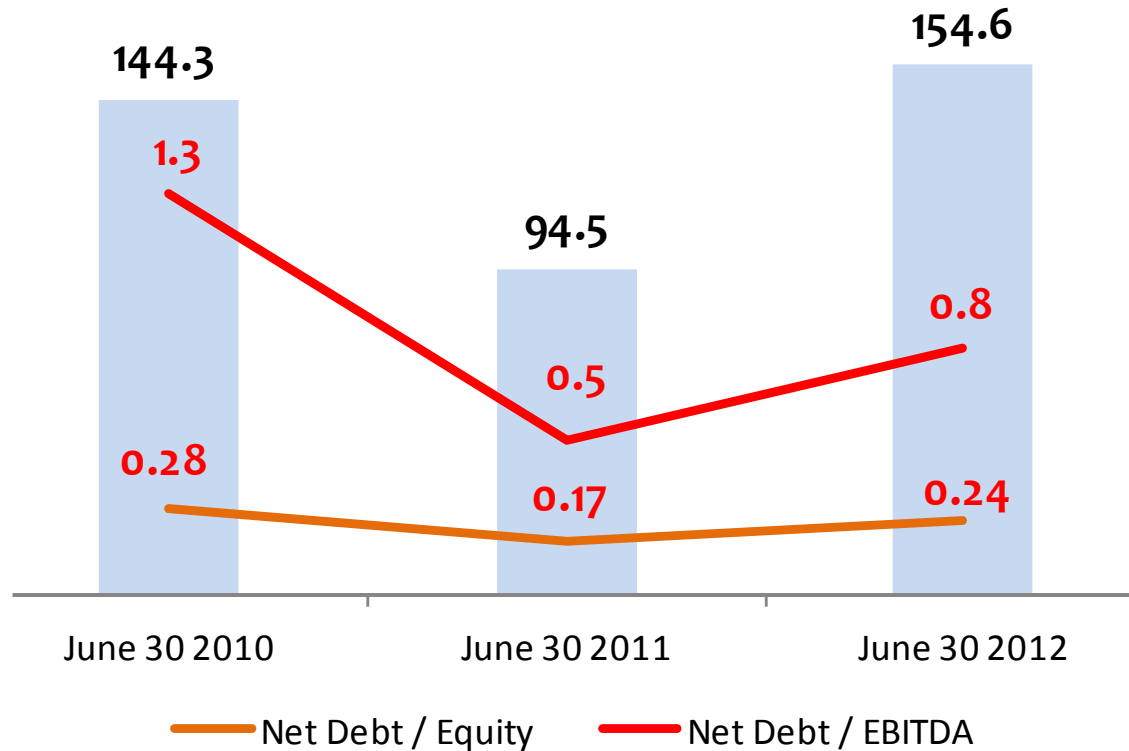
Focus on working capital

In M€	Variance H1'12	Variance H1'11	
Inventories	(32.3)	0.4	● Increase of inventories in anticipation of order intakes, notably in emerging markets. Days of Inventory stable year-on-year
Receivables	+11.4	-	
Payables	(23.8)	(39.3)	
Working capital variance	(44.7)*	(38.9)	● Remedy to temporary postponed payment to suppliers

* Excluding impact of FX and various reclassification items for a total of -5.5M€

Strong liquidity position & financial strength

Net debt (in M€)



Financial position including €150m of undrawn and confirmed facility

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2012 Outlook



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Confirming 2012 outlook

- **Reiterating 2012 outlook of increasing revenue and margin in current uncertain economic environment**
- **Like-for-like revenue growth >8.3%**
 - Independently from macro environment, Q4 performance is expected to be impacted by unfavorable basis of comparison with a very strong Q4'11 in Europe-SEPA and LATAM
- **which means reported revenue > 1,140M€**
 - Including impact of FX and ROAM Data
- **Consolidating high level margin while continuing to strongly invest into future growth drivers**
 - **EBITDA \geq 18.3%**

Ingenico investment case

- **Key focused strategy**
- **Technological leadership**
- **Diversified international exposure**
- **A world leader well positioned with a dual offer dedicated to merchants: terminals & transactions**
- **A growing market: continuous shift towards electronic payments**
- **Structural changes in the payment ecosystem generating opportunities for enlarged leadership: mobile payment, NFC, e-commerce**
- **Track record of profitable growth & financial strength**