

**Ingenico**

**9 first months & Q3 2012 Revenue**

October 24 2012





# Outstanding performance for the first 9 months

- **YTD12 Revenue : € 853.6 million**

- +23.8% reported growth

- +16.5% like-for-like growth

- **Double digit growth in all segments**

- **A very strong Q3 performance**

- Revenue : € 311.3 million

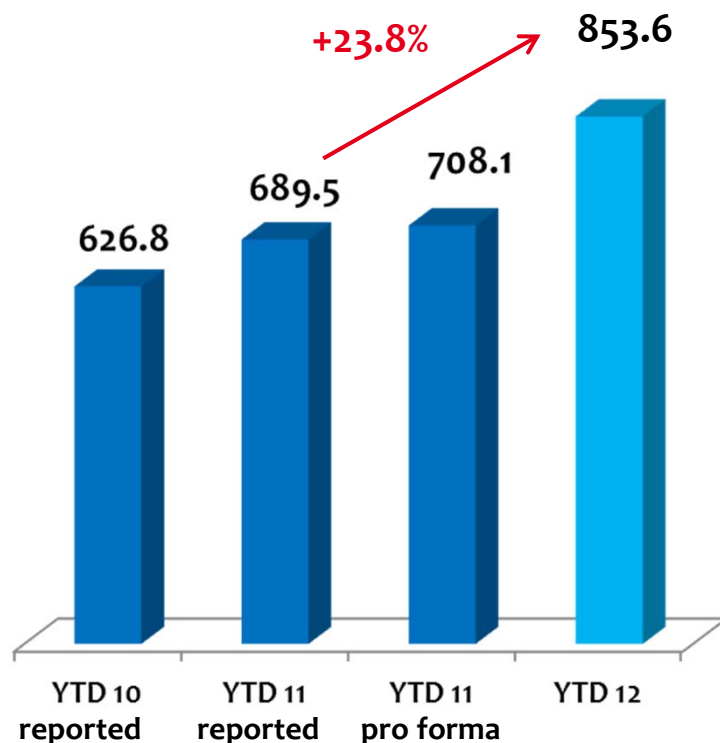
- +24.9% reported growth

- +16.7% like-for-like growth

- **Full-year guidance raised for revenue and confirmed for profitability**

# 9 months performance: Very strong top line growth

Revenue (in M€)



● Year-on year: +23.8%

□ Positive FX impact: +19.3M€

□ Contribution of acquisitions in 2012: +9.1M€

● Like-for-like: +16.5%\*

● +13.9%\*: growth derived from Terminals (hardware, servicing & maintenance)

□ Volume growth

□ Continued increased contribution of mobile and contactless terminals

● +28.7%\*: growth derived from Transactions

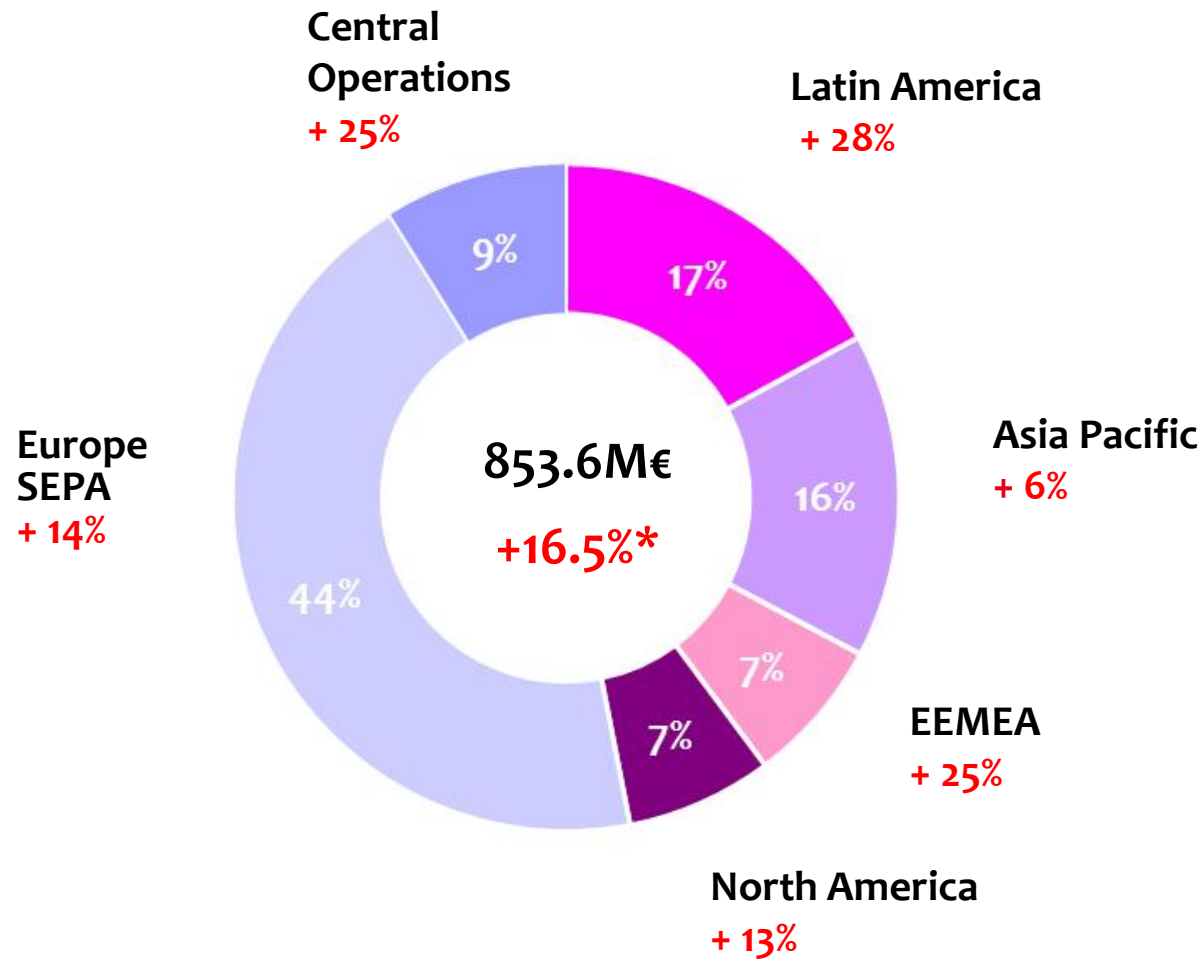
□ Strong growth driven by TransferTo

□ +10.1%\*: growth excluding TransferTo

\*Growth rate at constant FX & scope



# Strong growth in all regions. International exposure as a key asset



\*Growth rate at constant FX & scope

# 9 months performance in all business segments

## Terminals:

**Very strong dynamic**

**Like-for-like growth: +13.9%\***

- **Benefiting from new competitive landscape**
- **Overperformed market in SEPA-Europe region despite macro environment**
  - Share gains, notably in the UK and in all major markets
  - Gained traction in Central Europe
- **Emerging markets remain key growth drivers**
  - Building on strong positions: China, Brazil
  - Acquired distributor in Russia
  - Still potential to grow in South East Asia, LATAM, Africa
- **Continued to progress in North America**
  - Gaining traction in the “bank card” market

## Transactions:

**Continued strong dynamic**

**Like-for-like growth: +28.7%\***

- **Continued strong development of TransferTo (>+120%\*)**
- **Double digit growth of Transactions excluding TransferTo (+10%\*)**
  - Good dynamic in deploying easycash services outside Germany
  - Continuous traction on acquiring activity in all countries
  - In Q3, lower growth of transaction volume in Germany and a decrease in Spain
- **Promising launch of e-payment solution in Germany**

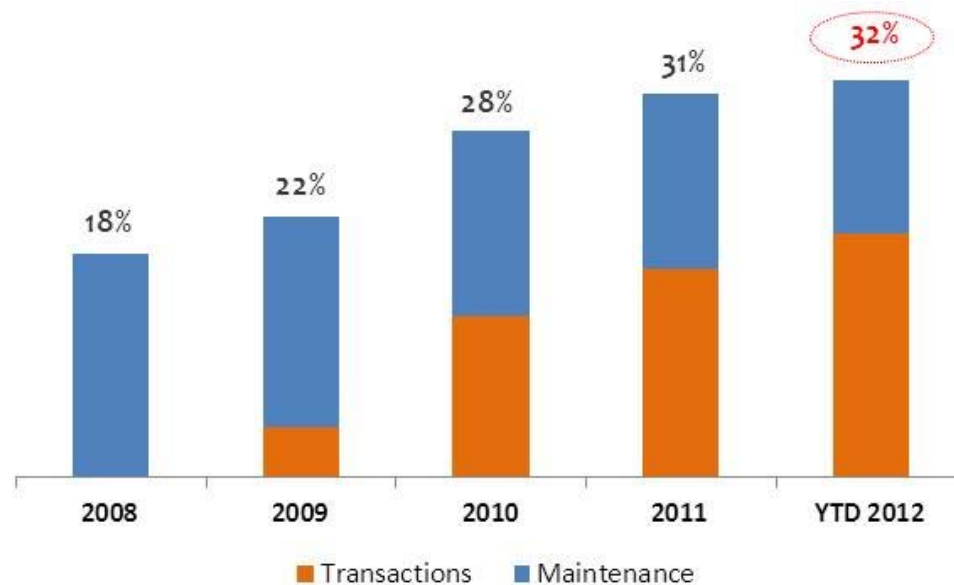
\*Growth rate at constant FX & scope



# Confirming evolution towards a new Group profile

## Recurring revenue: 32% total revenue

● 20%: revenue from Transactions (+250 bpts)



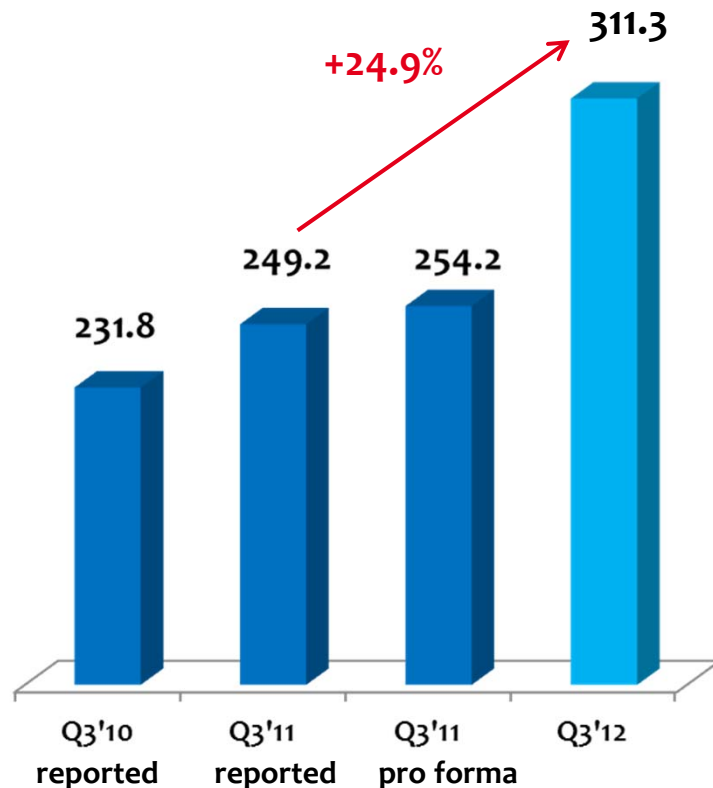
● Increased contribution of Transactions enabling more direct relations with merchants

● Continue to capitalize on installed payment terminal base of >17 million to generate recurring maintenance revenue

\*Revenue derived from transactions, servicing & maintenance

# Very strong top line growth in Q3 supporting 9 months performance

Revenue (in M€)



- Continued trend observed in the last quarters: like-for-like growth at 16.7%
- The right products and right international presence
- By geographies
  - Strong growth in all regions, except Central Operations
  - Growth acceleration in Europe-SEPA, LATAM and EEMEA
  - Strong dynamic in Asia Pac (+6%\*)
  - Continued recovery in North America (+9%\*)
- By business segments
  - Continued strong dynamic in Terminals: +16%\*
  - Strong growth in Transactions: +20%\*, notably driven by TransferTo (growth excluding TransferTo: 3%\*)

\*Growth rate at constant FX & scope



## Revising upwards 2012 revenue target and confirming profitability target

- **Revising upwards 2012 revenue target in current uncertain economic environment**
- **Reported revenue expected between €1,180 and €1,200 million**
  - Including impact of FX and ROAM Data
- **... meaning like-for-like revenue growth  $\geq 12\%^*$** 
  - 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
- **Consolidating margin in a period of strong investments to support future growth**
  - EBITDA  $\geq 18.3\%$
  - EBITDA expected between €216 and 221 million

\*vs. 2011 pro forma restated





# Investing towards the US market

- **Market players consolidation as a key opportunity**
- **Gaining traction in the “bank card” channel to market: ahead of schedule ... with higher benefit expected in 2013**
  - ❑ Continuing to secure major processors beyond Chase Paymentech, Vantiv
  - ❑ Won a top 10 merchant acquirer refresh program to start in Q2 2013
  - ❑ Signing significant distributors and ISOs
  - ❑ Certification on the AT&T network of the iWL 3G device that will be launched by major mobile player beginning of November
- **Ready to capture growth driven by EMV migration**
  - ❑ April 2013: first deadline for processors to be ready to accept EMV transactions, opening new market segment where there are currently no secure pinpad to process transactions
  - ❑ EMV is part of Ingenico DNA
  - ❑ Telium products embarking EMV and NFC



# Investing towards worldwide mobile solutions

- **Mobile solutions are part of our focused strategy to provide merchants with secured omni-channel payment solutions**
- **Ingenico has been investing into mobile payment ecosystem for years**
  - ❑ Ingenico: unique expertise in complex payment ecosystem, beyond acceptance device
  - ❑ Ingenico: unequalled mobile product range
  - ❑ Investment in ROAM Data, US-based mobile commerce platform, in 2009. Operating mobile payment solutions on a white label basis in the US
- **Leveraging on Ingenico DNA to deploy secured mobile payment solutions internationally**
  - ❑ World leader for secured payment acceptance devices
  - ❑ International reach with strong local presence (>120 countries)
  - ❑ Knowledge of local specificities
  - ❑ White label payment solutions
  - ❑ Strong expertise in end-to-end security
  - ❑ EMV as Ingenico group DNA

# Ingenico: the right ubiquitous mobile payment solutions to address requirements of organized retail

## *Organized retail*



- ❑ Ingenico has payment secured solutions addressing security and EMV requirements anywhere
- ❑ Group's payment solutions are already integrated to retailers' complex CRM
- ❑ **Gaining traction with the iSMP solutions in stores**
  - ❑ **Apple stores in EMV countries**
  - ❑ **Growing pipe of pilots with large retailers internationally**
  - ❑ **First orders with banks as part of strategy to deliver full secured mobile payment solutions to merchants**

# Ingenico: the right ubiquitous mobile payment solutions to address requirements of small merchants

## *Small/micro merchants*



- ❑ ROAM Data's mobile commerce platform in the US
- ❑ Starting to get ROAM's platform international outside the US
- ❑ On the device: leveraging EMV expertise to address security requirements of international scheme on acceptance device (Visa Europe: chin+pin only)
- ❑ On the channel-to-market: leveraging strong local presence (>120 countries)
  
- ❑ **US: ROAM Data operates mobile payment solutions on a white label basis**
- ❑ **Increasing pipe of projects in all major countries (EMV and non EMV)**
  - ❑ **White label mobile POS solution for established acquirer to extend addressable market to nomadic merchants**
  - ❑ **Development of mobile acceptance merchant in a box solution**



# Ingenico investment case

- **Key focused strategy**
- **Technological leadership**
- **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**