



Outstanding results in the first half of 2013

- **H1 2013 revenue of €656 million**
 - **Up 21% on a reported basis**
 - **Up 19% on a comparable basis¹**
- **Net profit attributable to shareholders: up 41% to €45 million**
- **Strong improvement in free cash flow management**
 - **Free cash flow of €46 million vs. (€16) million in H1 2012**
- **Guidance raised for 2013:**
 - **Low double-digit like-for-like growth**
 - **EBITDA margin exceeding or equal to 19%**

Paris, July 30, 2013 – Ingenico (Euronext: FR0000125346 – ING) announced today its reviewed interim financial statements for the six-month period ended June 30, 2013.

Key figures (in millions of euros)	H1 2013	H1 2012	H1 2013/H1 2012 change
Revenue	656	542	+21%
EBITDA	122	80	+53%
As a % of revenue	18.6%	14.8%	+380 bp
EBIT	103	66	+56%
As a % of revenue	15.7%	12.2%	+350 bp
Net profit attributable to shareholders	45	32	+41%

Philippe Lazare, Chairman and CEO of Ingenico, commented: “Our excellent results in the first six months of the year are in line with our strategy geared towards profitable growth. This has enabled us to raise our full-year revenue and EBITDA guidance for 2013.

Those results also demonstrated our ability to deploy a geographically differentiated sales and service strategy, across all channels: in store, on-line and mobile.

As anticipated, we enjoyed strong business growth in the United States.

The integration process of Ogone takes place in accordance with our roadmap, and will accelerate the expansion of our service business, which accounted for 48 percent of revenue in the Europe-SEPA region in the first half of the year.

As we enter the second half of the year, we are confident that we will be meeting our full-year targets and that our multi-channel approach will gradually come on stream.”

¹ On a like-for-like basis at constant exchange rates.

H1 2013 financial data

Key figures

(in millions of euros)	H1 13	H1 12
Revenue	656	542
Adjusted gross profit	277	226
<i>As a % of revenue</i>	42.2%	41.7%
Adjusted operating expenses	(174)	(160)
Profit from ordinary activities, adjusted (EBIT)	103	66
<i>As a % of revenue</i>	15.7%	12.2%
Profit from operating activities	75	57
Net profit	44	34
Net profit attributable to shareholders	45	31
EBITDA	122	80
<i>As a % of revenue</i>	18.6%	14.8%
Free cash flow	46	(16)
Net debt	414	155
Equity attributable to shareholders	715	649

Revenue up 19%

	H1 2013			Q2 2013		
	€m	Change 2013/2012		€m	Change 2013/2012	
		Comparable ¹	Reported		Comparable ¹	Reported
Europe-SEPA	283	5%	15%	150	4%	14%
Latin America	102	20%	11%	53	18%	12%
Asia-Pacific	109	36%	36%	62	15%	14%
North America	51	41%	39%	30	50%	47%
EMEA	57	48%	46%	31	40%	37%
Central Operations	54	13%	13%	27	4%	3%
Total	656	19%	21%	353	14%	17%

Performance in the first half

In the first half of 2013, revenue totaled €656 million, supporting a 21 percent increase on a reported basis, including a €26 million contribution from Ogone and a negative foreign exchange impact of €13 million. Total revenue included €511 million generated by the Payment Terminal business and €145 million generated by Transaction Services. More generally, the share of total revenue generated by Services was 33 percent, including Ogone's contribution.

On a comparable basis¹, the growth in revenue stood at 19 percent compared to the first half of 2012, driven by an outstanding performance in Payment Terminals (up 21 percent). Transaction Services revenue increased by a healthy 10 percent. Excluding TransferTo and Ogone, the revenue of Transaction Services was up 5 percent, while on a pro forma basis² and excluding TransferTo, it increased by 9 percent, driven by the merger of Ogone into the Group.

All regions contributed to the Group's overall performance, thanks to a geographically differentiated product and service offer. Ingenico has strengthened its position in its legacy Europe-SEPA markets through successful implementation of its service strategy and accelerated its growth in North America, particularly in the U.S., where revenue is up 50 percent. The Group has also continued to expand in the emerging markets, with encouraging business trends in Latin America, Asia-Pacific and the EMEA region.

The Group's Central Operations is mainly based upon the TransferTo's business and, to a lesser extent, on the deployment of the Group's mobile payment strategy through ROAM Data.

Performance in the second quarter

In the second quarter of 2013, revenue totaled €353 million, supporting a 17 percent increase on a reported basis, including a €14 million contribution from Ogone and a negative foreign exchange impact of €7 million. Total revenue included €277 million generated by the Payment Terminal business and €76 million generated by Transaction Services.

On a like-for-like basis¹, revenue was 14 percent higher than in Q2 2012. This performance can be attributed to high growth in Payment Terminal revenue (up 15 percent) and continuous development in Transaction Services (up 9 percent). Excluding TransferTo and Ogone, Transaction Services grew organically by 5 percent during the quarter; and by 9 percent on a pro forma basis² without TransferTo.

² Pro forma growth calculated on Transaction Services revenue for 2012, restated from January 1, 2012 to reflect the consolidation of Ogone in 2013.

In the second quarter, Ingenico posted strong organic growth across all regions, successfully deploying its geographically differentiated strategy.

Performance for the quarter by geography, compared with Q2 2012, was as follows:

- Europe-SEPA: Despite a challenging macroeconomic environment, Ingenico's Payment Terminal revenue increased at a respectable pace, due to the Group's diversified geographic footprint in the region, and following very high growth in the United Kingdom in 2012. In addition, the Group has accelerated the deployment of its strategy based on its Transaction Services strategy combining point-of-sale (Axis, easycash), on-line and m-payment with the integration process of Ogone growing 24 percent. Ingenico also won an award from KFC for the improvement of its payment systems in the United Kingdom.
- Latin America: Business continued to grow, thanks to an ongoing robust performance in Brazil and strong growth across the other countries in the region. Ingenico has contributed to a payment technology upgrade, particularly in Central America and Mexico, where the Group is deploying contactless payment solutions with Banamex.
- Asia-Pacific: Strong growth across the region continued to push revenue higher. The momentum has remained strong in China. Moreover, Ingenico has maintained its rapid deployment drive in Indonesia by acquiring its distributor and has accelerated its market penetration in India.
- North America: Accelerating growth in the region reflects the Group's increased traction in the United States, where Ingenico has continued to implement its strategy at large retailers and to win over smaller merchants through ISOs (Independent Sales Organizations). To date, Ingenico has already obtained certification from 8 of the 10 leading organizations in the processor/acquirer segment, including Heartland Payments, as announced on May 3rd.
- EMEA: In most countries in the region, Ingenico enjoyed strong growth fueled by the direct access to the Russian market, where the Group has continued to deploy its solutions to new banks customers, and the expansion of its distribution network, particularly in the Middle East, where a partnership agreement has been signed with Alhamrani Universal.
- Central Operations: Growth was driven primarily by TransferTo's expanding business.

Gross margin still high – up 50 basis points

Gross margin reached 42.2 percent, an increase of 50 basis points compared to H1 2012. The main driver of this performance was the 120 basis points increase in gross margin in Payment Terminals (hardware, servicing and maintenance) to 44.8 percent of revenue, due in large measure to outstandingly high growth in revenues volume and procurement cost optimization.

Gross margin in Transaction Services decreased slightly from 34.5 percent in the first half of 2012 to 33.5 percent. This decrease reflected a one-off expense of €5 million related to the bankruptcy of a German customer and the somewhat greater weight of TransferTo in the second quarter. However, solid business growth at Ogone has helped improve overall performance in Transaction Services. Excluding TransferTo and the impact of the incident in Germany, gross margin reached 47.1 percent, up from 44.6 percent in H1 2012.

Operating expenses under control at 26.5 percent of revenue

In the first half of 2013, adjusted operating expenses stood at €174 million, versus €160 million in the first half of 2012, and were down 300 basis points to 26.5 percent of revenue, compared with 29.5 percent in H1 2012.

Due to limited growth in general and administrative expenses, Ingenico was able to invest further, particularly in Research & Development and sources of future growth (Telium3, m-payment segment).

EBITDA up 53 percent

EBITDA increased by 53 percent to €122 million, up from €80 million in the first half of 2012. The EBITDA margin increased by 380 basis points to 18.6 percent of revenue.

EBIT margin up 350 basis points

In the first half of 2013, EBIT increased by 56 percent to €103 million, compared with €66 million in H1 2012. The EBIT margin was 15.7 percent of revenue, up by 350 basis points.

Continued significant growth in profit from operations: 31 percent

Other operating income and expenses showed a net expense of €13 million, which included a non-recurring €8 million partial impairment loss on TransferTo goodwill. This non-cash accounting item reflects revenue synergies below expectations between TransferTo and the rest of the Group.

In the first half of 2012, other operating income and expenses showed net income of €4 million, due in large part to the €9 million impact of the remeasurement of assets and liabilities previously acquired or taken over from Roam Data when Ingenico gained control of that company in February 2012.

At €15 million, Purchase Price Allocation expenses show little change, even though acquisitions carried out in the first half have added €3.7 million.

Profit from operations was up 31 percent to €75 million from €57 million in the first half of 2012. Operating margin increased by 90 basis points to 11.4 percent of revenue.

Profit attributable to Ingenico S.A. shareholders up 41 percent to €45 million

In the first half of 2013, net profit attributable to Ingenico S.A. shareholders increased significantly to €45 million, compared with €32 million in H1 2012.

This result includes net finance costs of €8 million (versus €7 million in H1 2012), which increased only slightly despite higher debt following the Ogone acquisition in January 2013.

Income tax expense rose from €16 million to €23 million. As of June 30, 2013, Group effective tax rate - excluding impact of partial impairment loss on TransferTo goodwill – stood at 32.7 percent³ compared with 31.9 percent as of June 30, 2012.

A sound financial position

Total equity attributable to shareholders increased to €715 million.

³ Tax rate: tax expense/(profit before income tax – share of profits of associates).

Net debt increased to €414 million at June 30, 2013, from €155 million at June 30, 2012 and €75 million at December 31, 2012, due in particular to the €360 million required to finance the acquisition of Ogone. However, Ingenico's financial ratios at June 30, 2013 demonstrated the Group's sound financial position. The net debt-to-equity ratio stood at 58 percent, while the net debt-to-EBITDA ratio was 1.6x⁴.

During the first half of 2013, Ingenico's operations generated free cash flow of €46 million, compared to a negative €16 million in the first half of 2012. This improvement is mainly attributable to a strong increase in EBITDA and good control over working capital, limiting the negative change in working capital to €11 million, versus €45 million in H1 2012. This was made possible by strict management of inventories and trade receivables in a period of strong business expansion. At the same time, Ingenico continued to invest to support Group expansion, with investing activities net of disposals totaling €18 million.

Update on Ogone integration

Following the acquisition of Ogone in January, all of the Group's Transaction Services business in Europe was merged together into the same entity now managed by Peter de Caluwe, the CEO of Ogone, to ensure that the Group's strategy will be effectively implemented whatever the channel: in store, on-line and mobile. The Ogone and easycash platforms are now interconnected, and the Group has deployed its in-store and on-line payment services for a first customer in Germany. More broadly, the first contacts initiated with clients and prospects (banks and merchants) have confirmed their interest for combined payment offers.

Outlook

In the first half of 2013, Ingenico performed outstandingly well, particularly in Payment Devices, and therefore expects less of a seasonal difference in revenue and EBITDA margin between the first and second halves than in previous years.

Accordingly, the Group has raised its annual revenue outlook, now anticipating low double-digit organic growth¹ compared with above or equal to 8 percent previously. The Group reminds that the fourth quarter of 2012 represents a very high basis of comparison, given that order volume from emerging markets was particularly high.

Ingenico has likewise raised its outlook for EBITDA margin, which is now expected to exceed or be equal to 19 percent, compared with above 18.5 percent previously.

This revised guidance for 2013 applies to the expanded consolidated Group, i.e., including Ogone in the accounts for the year. Ingenico also confirms that the Ogone integration process should be neutral to net earnings per share in 2013 (excluding PPA).

CONFERENCE CALL

A conference call to discuss Ingenico's H1 2013 results will be held on July 30, 2013 at 6.00 p.m., Paris time. Dial-in number: 01 70 99 32 08 (French domestic) or +44 (0)20 7162 0077 (international). The presentation will also be available on www.ingenico.com/finance.

⁴ Ratio based on last 12 months EBITDA

This press release contains forward-looking statements. The trends and objectives given in this release are based on data, assumptions and estimates considered reasonable by Ingenico. These data, assumptions and estimates may change or be amended as a result of uncertainties connected in particular with the performance of Ingenico and its subsidiaries. These statements are by their nature subject to risks and uncertainties as described in Ingenico registration document (“document de reference”). These forward-looking statements in no case constitute a guarantee of future performance, and involve risks and uncertainties. Actual performance may differ materially from that expressed or suggested in the forward-looking statements. Ingenico therefore makes no firm commitment on the realization of the growth objectives shown in this release. Ingenico and its subsidiaries, as well as their executives, representatives, employees and respective advisors, undertake no obligation to update or revise any forward-looking statements contained in this release, whether as a result of new information, future developments or otherwise.

About Ingenico (Euronext: FR0000125346 – ING)

Ingenico is a leading provider of payment solutions, with over 20 million terminals deployed in more than 125 countries. Its 4,000 employees worldwide support retailers, banks and service providers to optimize and secure their electronic payments solutions, develop their offer of services and increase their point of sales revenue.

More information on : www.ingenico.com | twitter.com/Ingenico.

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Next events

Conference call on H1'13 results: July 30 at 6pm (Paris)

Q3'13 revenue : October 30, 2013

EXHIBIT 1:

Basis for preparing the 2013 interim accounts

The consolidated financial data has been drawn up in accordance with International Financial Reporting Standards. In order to provide meaningful comparable information, that data has been presented on an adjusted basis, i.e. restated to reflect the depreciation and amortization expenses arising on the acquisition of new entities. Pursuant to IFRS 3 and to IFRS3R, the purchase price for new entities is allocated to the identifiable assets acquired and subsequently amortized over specified periods.

As of 2012, foreign exchange gains and losses from translation of operations denominated in foreign currency (including the effective portion of any related hedging instruments) are now recognized in cost of sales, instead of in net finance costs.

The main financial data for 2013 is discussed on an adjusted basis, i.e., before Purchase Price Allocation (PPA); see Exhibit 3.

Change in scope that occurred in 2013 with the acquisition of Ogone were not restated for 2012 figures.

Following IAS 18, revenue from certain activities related to transaction services operated by the Group (TransferTo and “Credit Acquiring” of easycash) is presented gross without deducting TransferTo’s payments to operators and interchange fees paid by easycash for credit acquiring, respectively.

EBITDA is not an accounting term; it is a financial metric defined here as profit from ordinary activities before amortization, depreciation and provisions and before expenses of shares distributed to employees and officers (the reconciliation of profit from ordinary operations to EBITDA is available in Exhibit3).

EBIT is equal to profit from ordinary activities, adjusted for amortization of the purchase price for newly acquired entities allocated to the identifiable assets acquired.

Free cash flow is equal to EBITDA less: cash and other operating income and expenses, changes in working capital requirements, investing activities net of disposals, financial expenses net of financial income and tax paid.

EXHIBIT 2 : Income statement, balance sheet, cash flow statement

1. INTERIM CONDENSED SOLIDATED INCOME STATEMENT (REVIEWED)

(in thousands of euros)	June 30, 2013	June 30, 2012
Revenue	656	542
Cost of sales	(378)	(316)
Gross profit	277	226
Distribution and marketing costs	(70)	(59)
Research and development expenses	(50)	(46)
Administrative expenses	(69)	(69)
Profit from ordinary activities	88	53
Other operating income	1	10
Other operating expenses	(15)	(6)
Profit from operating activities	75	57
Finance income	20	28
Finance costs	(28)	(34)
Net finance costs	(8)	(7)
Share of profit of equity-accounted investees	(0)	(0)
Profit before income tax	67	50
Income tax expense	(23)	(16)
Profit for the period	44	34
Attributable to:		
- owners of Ingenico SA	45	31
- non-controlling interests	(1)	2
EARNINGS PER SHARE (in euros)		
Net earnings		
- Basic earnings per share	0,85	0,61
- Diluted earnings per share	0,83	0,61

2. INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS (REVIEWED)

ASSETS (in thousands of euros)	June 30, 2013	Dec. 30, 2012
NON-CURRENT ASSETS		
Goodwill	868	551
Other intangible assets	193	148
Property, plant and equipment	40	38
Investments in equity-accounted investees	9	9
Financial assets	4	4
Deferred tax assets	28	27
Other non-current assets	21	21
TOTAL NON-CURRENT ASSETS	1 164	798
CURRENT ASSETS		
Inventories	113	105
Trade and related receivables	344	332
Other current assets	39	20
Current tax assets	8	4
Derivative financial instruments	3	2
Cash and cash equivalents	305	384
TOTAL CURRENT ASSETS	813	847
TOTAL ASSETS	1 977	1 645
EQUITY AND LIABILITIES		
Share capital	53	52
Share premium account	426	402
Retained earnings and other reserves	228	217
Translation reserve	8	17
EQUITY ATTRIBUTABLE TO INGENICO S.A. SHAREHOLDERS	715	689
Non-controlling interests	(1)	(1)
TOTAL EQUITY	714	689
NON-CURRENT LIABILITIES		
Long-term loans and borrowings	660	381
Provisions for retirement benefit obligations	12	12
Other provisions	18	18
Deferred tax liabilities	53	39
Other non-current liabilities	21	21
TOTAL NON-CURRENT LIABILITIES	764	470
CURRENT LIABILITIES		
Short-term loans and borrowings	60	78
Other provisions	14	14
Trade and related payables	314	281
Other current liabilities	87	86
Current tax liabilities	20	21
Derivative financial instruments	5	8
TOTAL CURRENT LIABILITIES	499	487
TOTAL LIABILITIES	1 263	957
TOTAL EQUITY AND LIABILITIES	1 977	1 645

3. INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (REVIEWED)

(in thousands of euros)

June 30, 2013

June 30, 2012

	June 30, 2013	June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	44	34
Adjustments for:		
• Share of profit of equity-accounted investees	0	0
• Income tax expense / (income)	23	16
• Depreciation, amortization and provisions	38	25
• Change in fair value	0	2
• Gains / (losses) on disposal of assets	0	(9)
• Net interest costs	7	6
Share-based payment expense	4	1
Interest paid	(11)	(9)
Income tax paid	(34)	(16)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE CHANGE IN NET WORKING CAPITAL	72	51
Change in working capital		
• Inventories	(10)	(32)
• Trade and other receivables	(21)	11
• Trade and other payables	20	(24)
CHANGE IN NET WORKING CAPITAL	(11)	(45)
NET CASH FLOW FROM OPERATING ACTIVITIES	60	6
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of non-current assets	(19)	(26)
Proceeds from sale of non-current assets	1	4
Acquisition of subsidiaries, net of cash acquired	(364)	(15)
Disposal of subsidiaries, net of cash disposed of	8	0
Loans and advances granted and other financial assets	(1)	(1)
Loan repayments received	1	0
Interest received	3	4
Impact of changes in accounting method and percentage	-	(1)
NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES	(371)	(34)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share capital issues	0	-
Purchase/(sale) of own shares	(2)	3
Proceeds from loans and borrowings	273	5
Repayment of loans and borrowings	(29)	(2)
Change in the Group's ownership interests in controlled entities ⁽¹⁾	(2)	(5)
Changes in other financial liabilities	5	(0)
Changes in the fair value of hedging instruments	0	-
Dividends paid	(13)	(12)
NET CASH FLOW USED IN FINANCING ACTIVITIES	233	(11)
Effect of exchange rates fluctuations	(6)	2
CHANGE IN CASH AND CASH EQUIVALENTS	(84)	(37)
Cash and cash equivalents at beginning of the year	371	328
Cash and cash equivalents at year end (2)	287	291

Comments:

(1) Pursuant to the revised IAS 27, cash flows arising on changes in ownership interests in controlled entities are classified as cash flows from financing activities in the consolidated cash flow statement

	June 30, 2013	June 30, 2012
⁽²⁾ CASH AND CASH EQUIVALENTS		
UCITS (only portion classified as cash)	84	142
Cash on hand	222	171
Bank overdrafts (included in short-term borrowings)	(19)	(22)
TOTAL CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS	287	291

EXHIBIT 3

Impact of purchase price allocation (PPA)

<i>(in millions of euros)</i>	H1 13 excl. PPA	PPA Impact	H1 13 reported
Gross Profit	277	(-)	277
Operating expenses	(174)	(15)	(189)
Profit from ordinary activities	103	(15)	88

Reconciliation of profit from ordinary activities to EBITDA

EBITDA represents profit from ordinary activities, restated to include the following:

- Provisions for impairment of tangible and intangible assets, net of reversals (including impairment of goodwill or other intangible assets with indefinite lives, but not provisions for impairment of inventories, trade and related receivables and other current assets), and provisions for risks and charges (both current and non-current) on the liability side of the balance sheet, net of reversals.
- Expenses related to the restatement of finance lease obligations on consolidation.
- Expenses recognized in connection with the award of stock options, free shares or any other payments to be accounted for using IFRS 2, Share-based Payment.
- Changes in the fair value of inventories in accordance with IFRS 3, Business Combinations, i.e. determined by calculating the selling price less costs to complete and sell.

Reconciliation

<i>(in millions of euros)</i>	H1 13	H1 12
Profit from ordinary activities	88	53
Allocated assets amortization	15	14
EBIT	103	66
Other amortization and provisions for liabilities	15	13
Share based payment expenses	4	1
EBITDA	122	80