



FY 2015  
earning results

FEBRUARY 18<sup>TH</sup>, 2016

# disclaimer

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# • agenda FY 2015

- **Highlights**

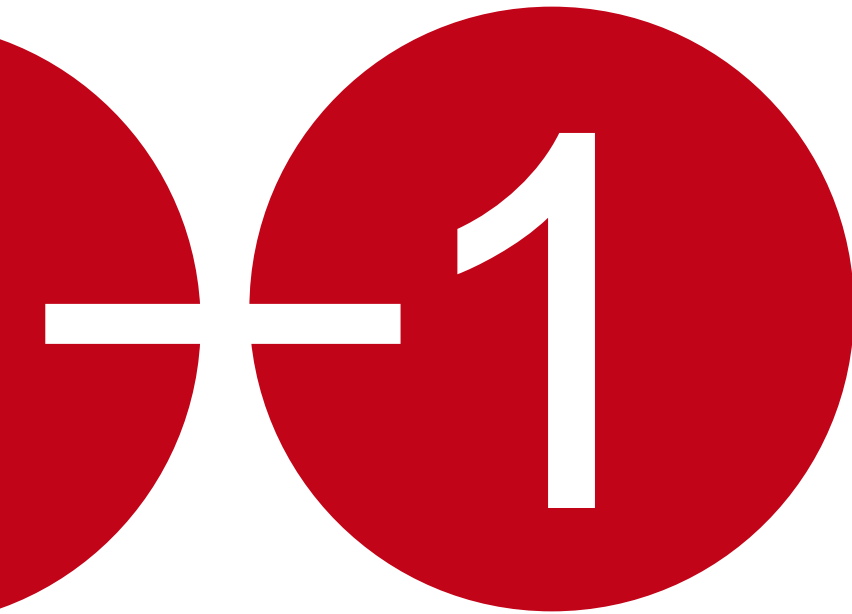
Philippe Lazare, Chairman and CEO

- **Financial results**

Nathalie Lomon, Chief Financial Officer

- **Strategic update & outlook**

Philippe Lazare, Chairman and CEO



# Highlights

**FY 2015**

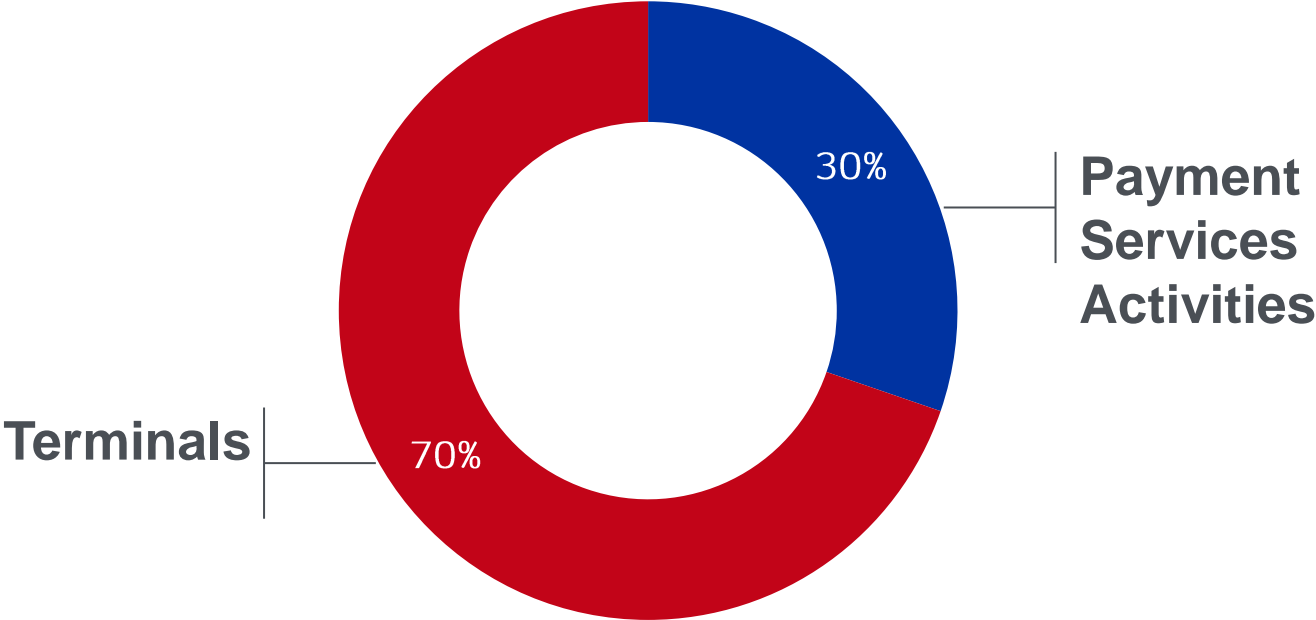
# **FY15** / mid-term targets reached a year ahead of schedule

- **Strong revenue growth : €2,197m**
  - Like-for-like growth: +14%
  - Reported growth: +37%
- **EBITDA margin progression to 23.1% (+60Bps)**
- **Net income, attributable to shareholders up to €230m (+34%)**
- **Key Highlights**
  - United States and China as Group's first and second largest markets
  - Excellent performance in emerging countries
  - Steady growth in Europe
- **2016 Objectives**
  - Organic growth c.10%
  - EBITDA margin c.21%

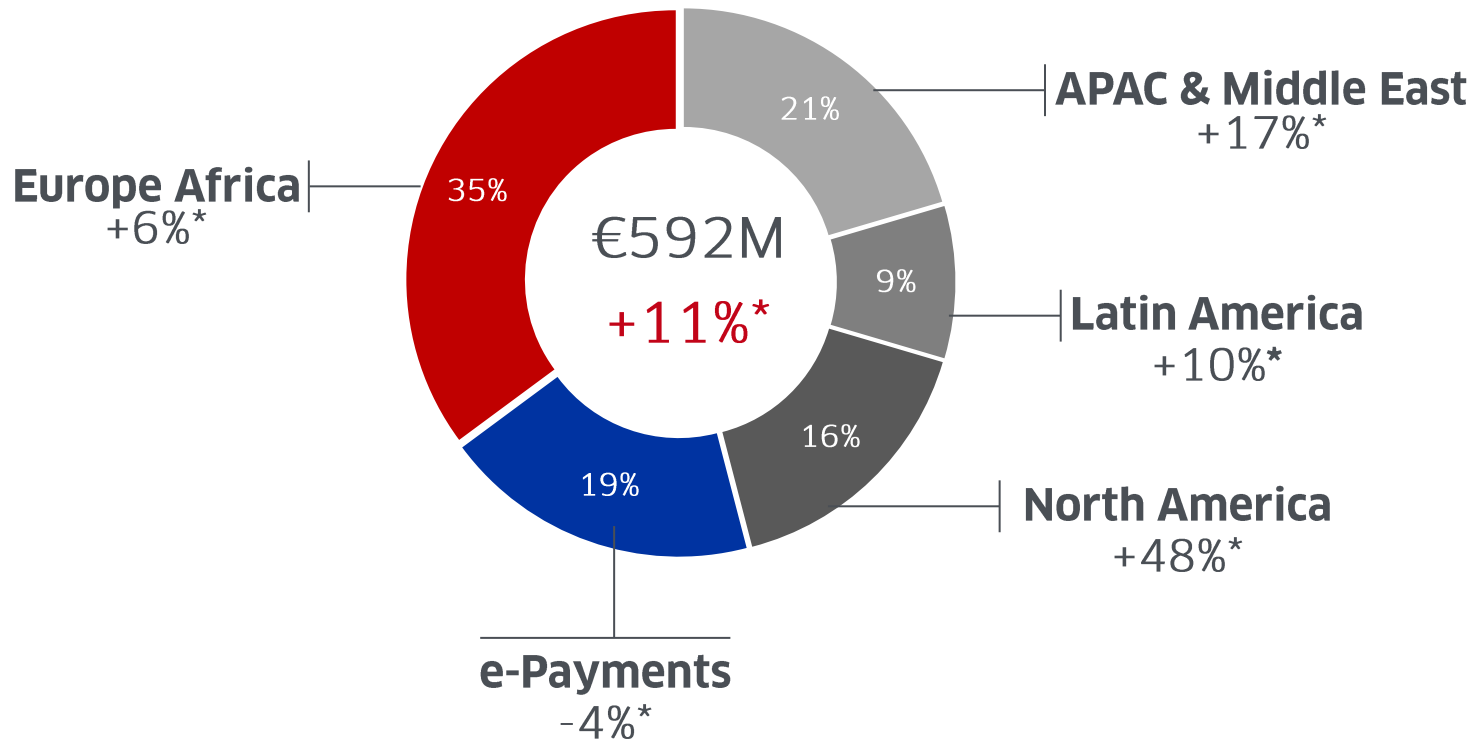
# FY15 / group transformation in progress

FY 2015 Revenue  
€2,197M

Including e-Payments :  
**20% of Group revenue**

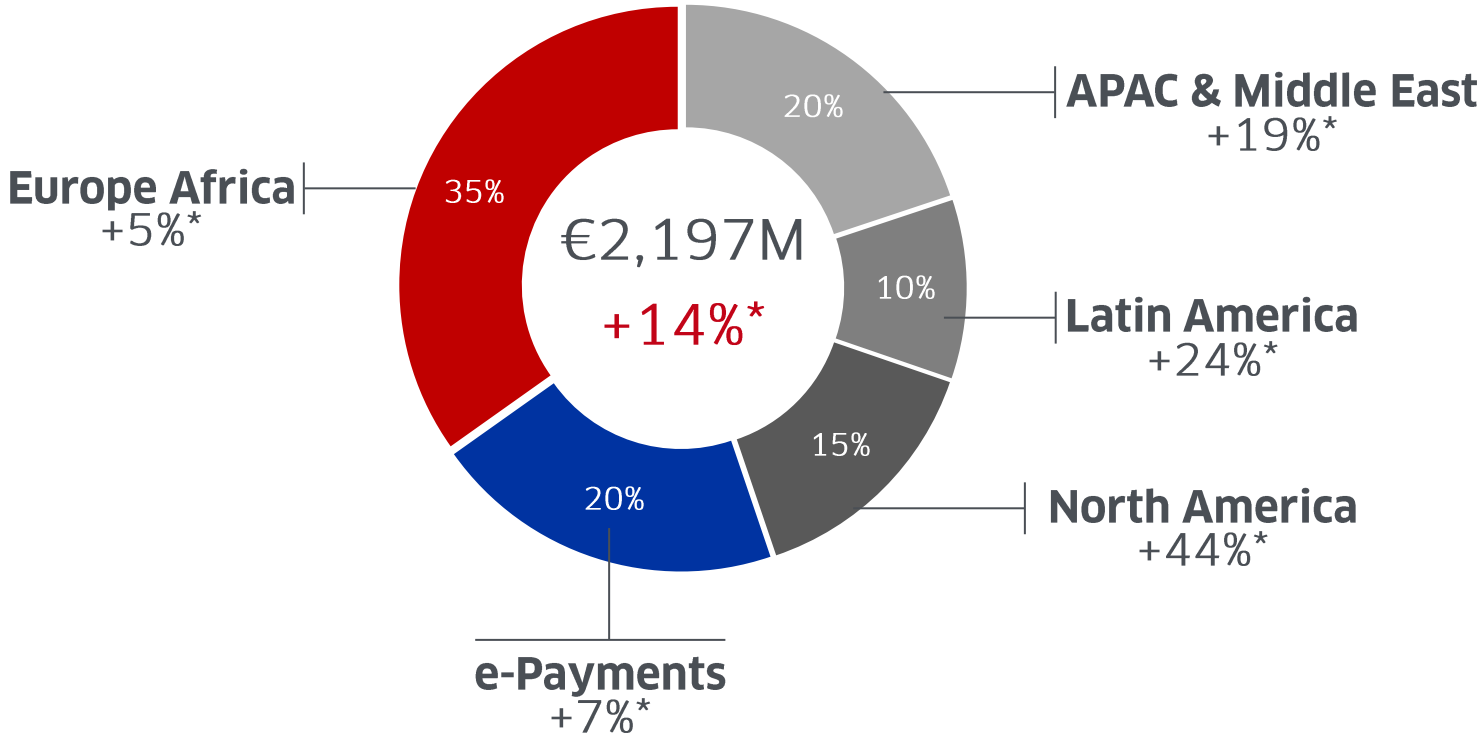


# Q4'15 / revenue by market



\*Growth rate at constant FX & scope

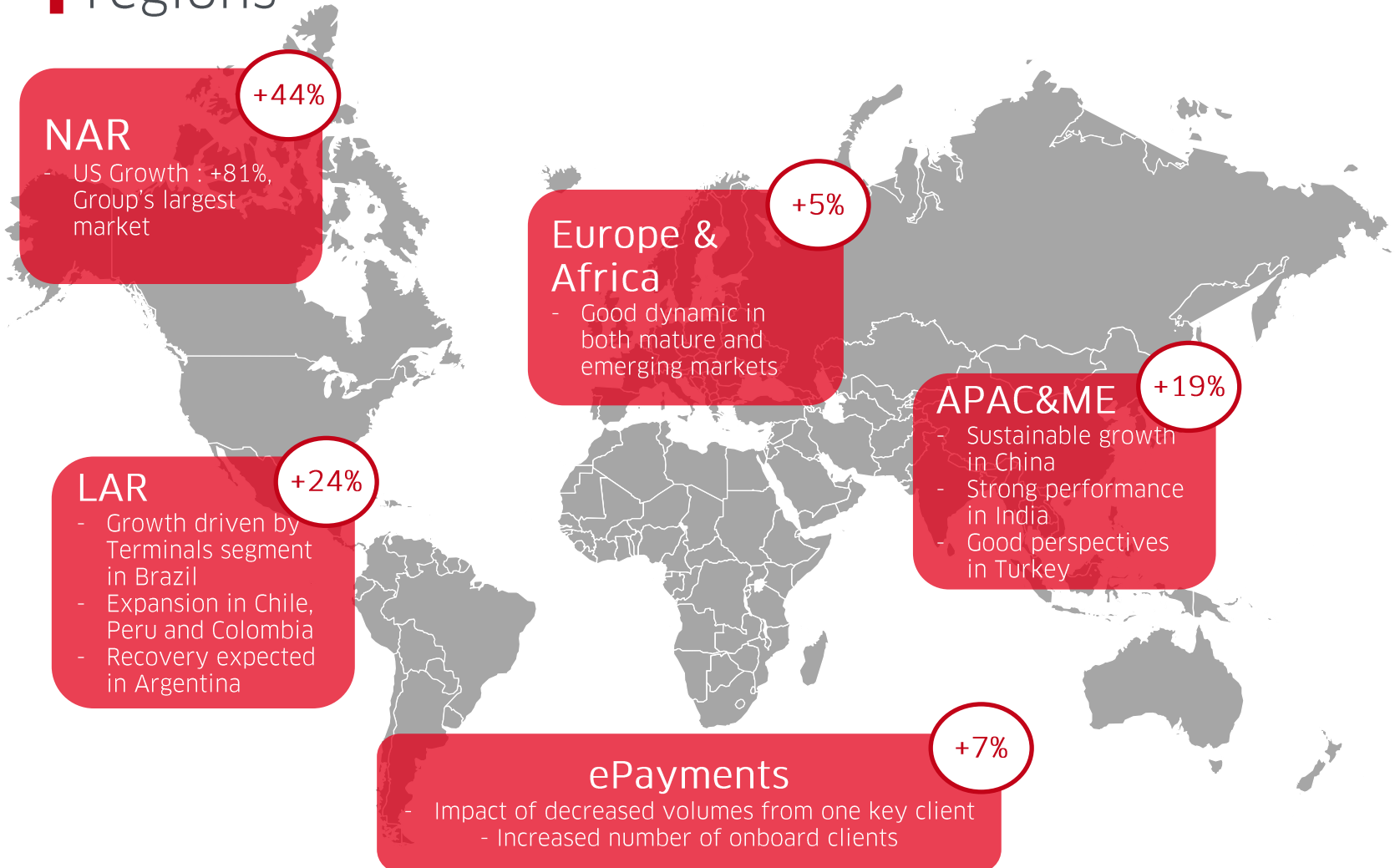
# FY15 / revenue by market



\*Growth rate at constant FX & scope



# FY15 organic growth / strong performances in all regions



9 \*Growth rate at constant FX & scope



# Financial Results

**FY 2015**

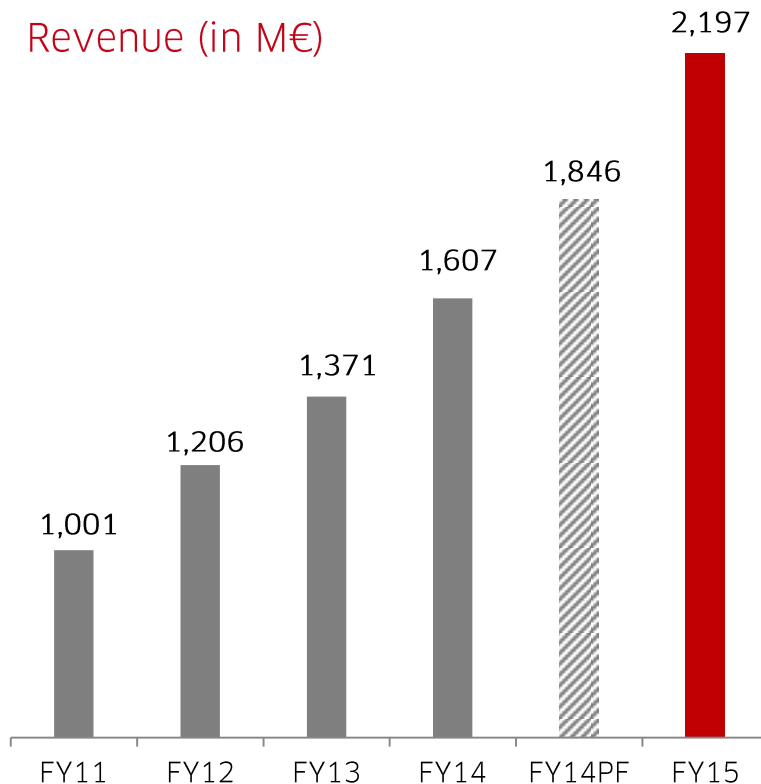
# Basis of presentation for FY15 financials

## For a better understanding 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)
- Foreign exchange gains and losses (including hedging) are reported in the income statement depending on their nature
- Main financial data for 2015 have been analyzed on an adjusted basis, i.e. before purchase price allocation (PPA)
- 2014 pro forma financial data have been restated from January 1<sup>st</sup>, 2014 to reflect GlobalCollect acquisition completed on September 30, 2014 and presented on a non-reviewed adjusted basis
- 2014 pro forma revenue has been restated from January 1<sup>st</sup>, 2014 to reflect the new organization within operational divisions

# FY15 / strong and sustained growth

Revenue (in M€)



**Year-on year: +37%**

- FX impact: +95M€

**Like-for-like: +14%**

**By geography**

- Solid growth across all regions

**By business segment**

- Terminals / +16%
- Payment services activities / +9%  
including e-Payments: +7%

*Pro forma including GlobalCollect contribution as of January 1<sup>st</sup>, 2014*

## FY15 / outstanding results

In M€	<b>FY15</b>	FY14 Reported	FY14 Pro forma*	<b>Changes vs. FY14PF</b>
<b>Revenue</b>	<b>2,197</b>	1,607	1,846	<b>+14%**</b>
<b>Gross Profit</b>	<b>972</b>	735	807	<b>+20%</b>
<i>In % of revenue</i>	<b>44.3%</b>	45.7%	43.7%	<b>+ 60 bpts</b>
<b>EBITDA</b>	<b>508</b>	377	415	<b>+22%</b>
<i>In % of revenue</i>	<b>23.1%</b>	23.4%	22.5%	<b>+ 60 bpts</b>
<b>EBIT</b>	<b>437</b>	324	361	<b>+21%</b>
<i>In % of revenue</i>	<b>19.9%</b>	20.2%	19.6%	<b>+ 30 bpts</b>
<b>Net profit, attributable to shareholders</b>	<b>230</b>	172	-	-

\*Pro forma including GlobalCollect contribution as of January 1<sup>st</sup>, 2014

\*\*Growth rate at constant FX & scope

## FY15 / increasing gross profit by activity

<i>in €M</i>	Terminals	Payment services activities	<b>FY15</b>
Revenue	1,532	665	<b>2,197</b>
<i>Like-for-like growth</i>	<b>+16%</b>	<b>+9%</b>	<b>+14%</b>
Adj. Gross profit	727	245	<b>972</b>
<i>In % of revenue</i>	<b>47.5%</b>	<b>36.9%</b>	<b>44.3%</b>

- Terminals: Strong revenue growth and positive geographic mix
- Payment services activities : Costs under control for instore payments platforms

## FY15 / operating expenses under control

<i>in €M</i>	<b>FY15</b>	FY14 pro forma	FY14 reported
<b>Sales &amp; Marketing</b>	<b>168</b>	145	132
<b>Research &amp; Development</b>	<b>155</b>	115	113
<b>General &amp; Administrative</b>	<b>212</b>	186	166
<b>Adj. Operating expenses</b>	<b>536</b>	446	411
<b>In % of revenue</b>	<b>24.4%</b>	24.2%	25.6%

- S&M and G&A expenses under control
- Financing innovation to sustain the Group leadership

## FY15 / rising profit

<i>In M€</i>	FY15	FY14
<b>Adj. EBIT</b>	<b>437</b>	324
<b>Purchase Price Allocation</b>	<b>(48)</b>	(32)
<b>Other income &amp; expenses</b>	<b>(8)</b>	(18)
<b>Financial result &amp; Equity Method</b>	<b>(21)</b>	(21)
<b>Income before tax</b>	<b>359</b>	252
<b>Income tax</b>	<b>(125)</b>	(81)
<b>Income tax rate</b>	<b>34.5%</b>	31.8%
<b>Net Result</b>	<b>235</b>	172
<b>Net Result, attributable to shareholders</b>	<b>230</b>	172



## FY15 / strong Free Cash Flow generation

<i>In M€</i>	<b>FY15</b>	FY14
<b>EBITDA</b>	<b>508</b>	377
<b>Working capital changes</b>	<b>(14)</b>	40
<b>Capex</b>	<b>(62)</b>	(51)
<b>Other income &amp; expenses</b>	<b>(5)</b>	(12)
<b>Interests paid</b>	<b>(5)</b>	(6)
<b>Tax paid</b>	<b>(137)</b>	(93)
<b>Free Cash Flow</b>	<b>285</b>	<b>255</b>

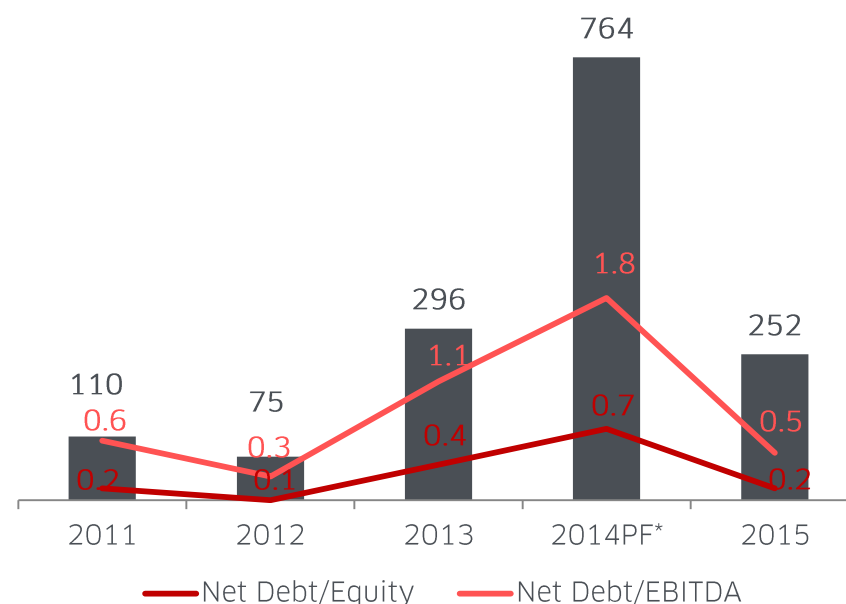
- Strong EBITDA improvement
- Investments acceleration to foster Group's development
- Tax paid reflecting Group's overall profitability increase and less favorable tax rate mix

EBITDA/FCF Conversion: 56%

# FY15 / sound financial structure

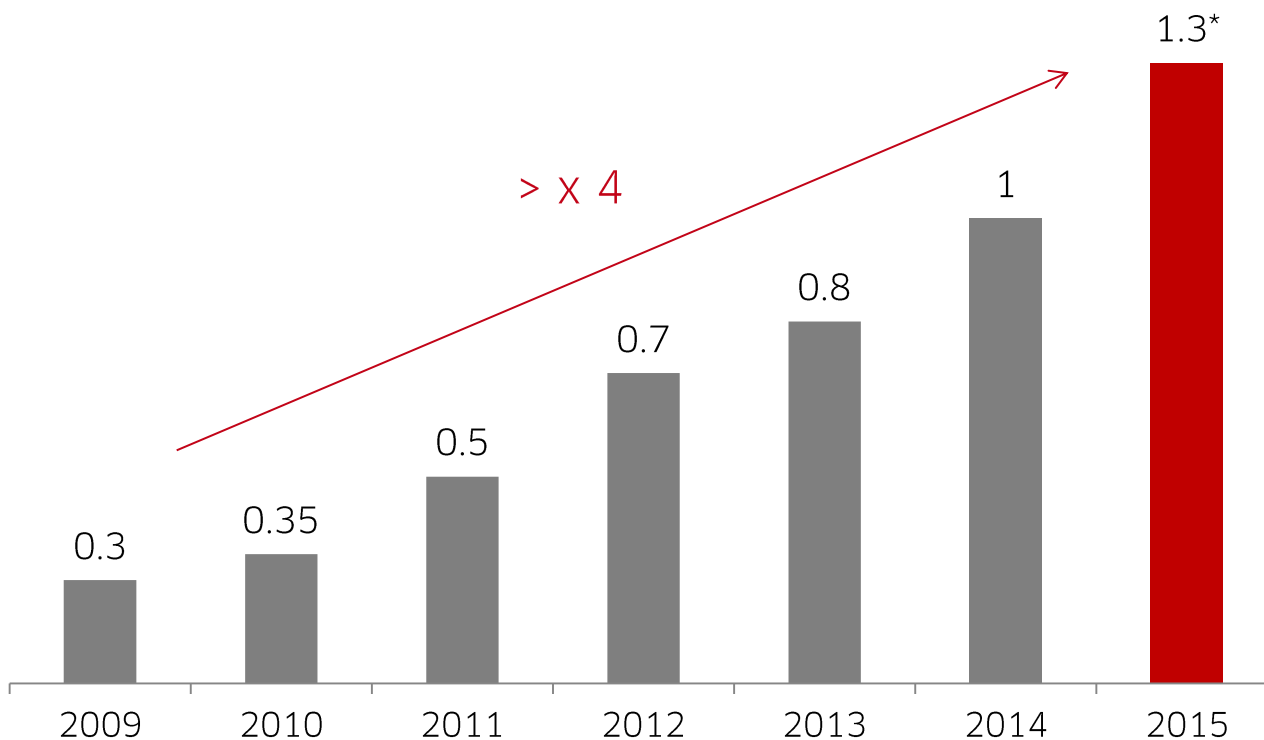
In M€	FY15	FY14
<b>Net debt as of Jan. 1</b>	<b>764</b>	296
Free Cash Flow	<b>285</b>	255
Dividend paid	<b>(31)</b>	(20)
2011-2017 OCEANE conversion	<b>112</b>	131
2015-2022 OCEANE issuance	<b>73</b>	-
Acquisitions net of disposals	<b>87</b>	(809)
Others	<b>(14)</b>	(25)
<b>Change in net debt</b>	<b>512</b>	(468)
<b>Net debt as of December 31</b>	<b>252</b>	764

## Net debt



\*Including GlobalCollect on a FY basis

# Proposed dividend / increasing by +30% to 1.30€ in 2015



\* Dividend proposed to next AGM



Strategic  
update &  
outlook

# Strategic update / ePayments

- **Acceleration of “Project Excellence”**
  - Investing in platforms
  - Improving customer care
- **Launching of “Ingenico ePayments” brand**
  - Creating a world class online payments service provider
  - Underlying our ambition to further grow and lead the market
- **Improving the offer**
  - IngenicoConnect: Advanced integration and mobile-optimized checkout solutions
  - Elevate: Offering merchants advanced data analytics
- **Increased number of onboarded clients in Q4 2015**
- **Double digit growth expected in H2 2016**

# Strategic update / cross channel



## Unified portal and reporting between instore and online

- Centralized transactions reporting whatever the channel
- Used by hospitality chain, parking management & retailers

## Token CRM

- Payment card as credential – Token allowing consumer tracking across channels
- Used by hospitality chain, parking management & retailers

## Refund by web

- Allows remote refund of transactions initiated in-store
- Strong interest across all sectors

## Store to web functionalities

- Eased split and deferred payments based on card (vs. direct debit, check...)
- Increase in-store conversion rate
- Good pipeline among retailers

# Strategic update / Smart Terminals

## Terminals

5000 series deployment in progress in France, Italy, and Spain. Soon in Australia

PCI-PTS v4 certified

## Market Place

c. 80 Apps: loyalty, adds, service ordering...

Goal: 150 by end 2016

Success of the Hackaton

## Estate manager

New features to better monitor terminal functioning and better manage terminal life cycle

New ergonomics, fully web-designed

## Payment Applications

PCI certification / success in "opening" the terminal to HTML5 Apps with no compromise on security



# Strategic update / innovation

- **Partnerships with digital leaders**

- Google (Analytics) - Samsung, Apple (NFC technology) - PayPal (Wallet)

- **Connected devices**

- Partnership with Think&Go for connected screens
- Two field tests: Institut Curie and BNPP

- **More value for merchants**

- m-commerce smart payment to drive higher conversion rate
- Panasonic and AavaMobile : Fully integrated tablets combining contactless payment with POS management (CRM, Inventories...)

**Labs 1<sup>st</sup> anniversary...Lots of achievements**



# 2016 / strategic priorities



**Terminals**



**Services activities**



**Acceleration of Group's transformation to prepare the future**

## 2016 / objectives

**Organic growth**  
c. 10%

**EBITDA margin**  
C. 21 %



**2020** / objectives

INVESTOR  
DAY

March 23, 2016

from 8.30am to 3.30pm



**Corinthia Hotel  
Whitehall Place  
London SW1A 2BD**





# Appendix

# 2014 pro forma / including GlobalCollect

In M€	H1 2014 Pro forma	<b>FY 2014 Pro forma</b>
<b>Revenue</b>	859	<b>1,846</b>
<b>Adjusted Gross Profit</b>	378	<b>807</b>
<i>In % of revenue</i>	44.0%	<b>43.7%</b>
<b>Adjusted OPEX</b>	(219)	<b>(446)</b>
<i>In % of revenue</i>	25.5%	<b>24.2%</b>
<b>EBITDA</b>	182	<b>415</b>
<i>In % of revenue</i>	21.2%	<b>22.5%</b>
<b>Adjusted EBIT</b>	159	<b>361</b>
<i>In % of revenue</i>	18.5%	<b>19.6%</b>

\*Growth rate at constant FX & scope

# PPA at Year End and amortization

By Acquisition	Amortization			
	2015	2016	2017	2018
easycash	(8)	(4)	(4)	(4)
Sagem Monotel	(4)	(4)	(4)	(1)
XIRING	(2)	(1)	(1)	(1)
Ogone	(7)	(7)	(7)	(4)
GlobalCollect	(24)	(24)	(24)	(24)
Others	(3)	(2)	(2)	(1)
<b>Total</b>	<b>(48)</b>	<b>(42)</b>	<b>(41)</b>	<b>(35)</b>



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