Press release

Paris, July 26, 2016

Continued double digit-growth in the first half of 2016

- **Revenue of €1.133 billion**
  - **up 12% on a comparable basis[1]**
  - **up 7% on a reported basis**

- **Strong growth across most regions**
  - **Excluding Brazil, organic growth of 15% in the first half**

- **ePayments accelerating; double-digit growth expected in the second half**

- **EBITDA[2] of €244 million, equal to 21.5% of revenue**

- **Net Profit attributable to Ingenico Group shareholders of €122 million**

- **Objective for 2016 maintained**
  - **Organic growth[1] above or equal to 10%**
  - **EBITDA margin[2] of c. 21%**

Paris, July 26, 2016 – Ingenico Group (Euronext: FR0000125346 – ING) announced today its financial statements for the six-month period ended June 30, 2016.

Philippe Lazare, the Chairman and Chief Executive Officer of Ingenico Group, commented:
"Ingenico Group has once again achieved solid growth in the first half of this year. Our multi-local strategy has continued to prove its effectiveness, with our excellent results in mature markets and Asia offsetting the slowdown in Brazil. At the same time, our ePayments division has extended its business reach substantially, finalizing a new major agreement with Alipay. And although we have maintained our investment drive to keep bringing out new products and developing our online transaction platforms, Ingenico Group still has a 21.5% EBITDA margin. The Group has also carried out three acquisitions: a start-up provider of connected screens, Think&Go, and two terminal distributors, Lyudia in Japan and Nera in Southeast Asia.
All these examples of operational progress highlight the speed with which we are implementing our 2020 growth plan."

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[1] *On a like-for-like basis at constant exchange rates.*
[2] *EBITDA is not an accounting term; it is a financial metric defined here as profit from ordinary activities before depreciation, amortization and provisions, and before expenses for shares distributed to employees and officers.*

H1 2016 results

Key figures

(in millions of euros)	H1'16	H1'15
Revenue	1,133	1,058
Adjusted gross profit	490	474
As a % of revenue	*43.2%*	44.8%
Adjusted operating expenses	(284)	(253)
Profit from ordinary activities, adjusted (EBIT)	206	221
As a % of revenue	*18.1%*	20.9%
Operating margin	184	194
Net profit	127	124
Net profit attributable to Group shareholders	122	122
EBITDA	244	249
As a % of revenue	*21.5%*	23.6%

Free cash-flow	64	59
Net debt	232	441
Net debt-to-EBITDA ratio[3]	0.5x	0.9x
Equity attributable to Group shareholders	1,588	1,395

[3] *Year-on-year.*

12% organic growth in revenue

	H1 2016			Q2 2016		
	€m	% change		€m	% change	
		Comparable[1]	Reported		Comparable[1]	Reported
Europe-Africa	**408**	15%	11%	215	13%	9%
APAC & Middle East	**262**	32%	25%	133	29%	20%
Latin America	**86**	-14%	-28%	41	-27%	-37%
North America	**148**	14%	12%	74	11%	7%
ePayments	**230**	1%	-1%	119	4%	1%
Total	**1,133**	12%	7%	581	9%	4%

Performance in the first half

In the first half of 2016, revenue totaled €1.133 billion, representing a 7% increase on a reported basis, including a negative foreign exchange impact of €50 million. Total revenue included €788 million generated by the Payment Terminals business and €345 million generated by Payment Services.

On a comparable basis[1] revenue growth was 12% higher than in the first half of 2015, a result that included a 15% increase in Terminals and a 5% increase in Payment Services.

A key feature of the first half of 2016 was a very high volume of business in **Europe,** demonstrating the Group's ability to leverage regulatory change in mature markets. In **Asia-Pacific,** the Group further increased its share of the market, with vigorous growth in Turkey, Australia and China. In contrast, Brazil's unfavorable economy heavily affected business volume in **Latin America.** In **North America,** revenue growth was driven by the Group's increasing market share at large-scale retail chains. Investment in the Group's **ePayments** division over the last few months has started to pay off, as reflected in the strong sales momentum of the first half.

Performance in the second quarter

In the second quarter of 2016, revenue totaled €581 million, representing a 4% increase on a reported basis, including a negative foreign exchange impact of €30 million. Total revenue included €400 million generated by the Payment Terminals business and €181 million generated by Payment Services.

On a comparable basis[1] revenue growth was 9% higher than in the second quarter of 2015, a result that included a 10% increase in Terminals and an 8% increase in Payment Services.
Excluding Brazil, the Group recorded organic growth of 14% in the quarter.

Ingenico Group's solid performance in Payment Terminals reflected expanding market share in Asia, Russia and the United States, as well as the operational excellence that has enabled the Group to take full advantage of equipment replacement cycles in mature markets.
The Group also continued to gain market share in in-store Payment Services. Furthermore, the ePayments division's return to growth makes it possible to reaffirm double-digit growth objective for the second half of 2016.

Compared with Q2 2015, the various divisions performed as follows on a like-for-like basis and at constant exchange rates:

- Europe-Africa (up 13%): The Payment Terminals activity enjoyed brisk business in most countries, but particularly in the United Kingdom and the Nordic countries, where the Group took full advantage of a major equipment replacement cycle following a change in standards (PCI v1). In Russia, Ingenico Group doubled its revenue as a result of an agreement signed with Sberbank. In Eastern Europe and Africa, strong growth was attributable to increasing market share, most notably in South Africa, Poland, the Ukraine and Greece.
At the same time, the Group's in-store Payment Services business delivered sound performance, fueled by rising electronic transaction volume in Germany and growing market share in France and the United Kingdom.

- Asia-Pacific and Middle East (up 29%): Ingenico Group has continued to record high growth throughout this geographic area. In Turkey, sales rose during the quarter on the back of mandatory replacement of the installed base with fiscal memory payment terminals. In China, the Group once again reaped the benefits of a booming market to increase its sales further. Tetra deployment in Australia also contributed to the Group's strong performance in the region.

- Latin America (down 27%): The Group has maintained its share of the Brazilian market even though the country's difficult macroeconomic climate strongly affected sales volume. Elsewhere in the region, Ingenico Group has continued to grow at a rapid pace. In Mexico, the Group has strengthened its position as a supplier to the main acquirers and large-scale retailers; in Argentina, efforts to win over acquirers are producing results; and the business trend in Peru remains encouraging. At the same time, Telium Tetra deployment has been advancing swiftly in Latin America.

- North America (up 11%): As forecast, the Group has achieved double-digit growth in the United States. EMV migration is still the key driver of that growth, both on traditional and on mPOS terminals. Although there is considerable inventory build-up at distributors, Ingenico Group has continued to gain market share at major retail outfits, a segment where business remains buoyant. The Group has also continued to gain ground in new vertical markets like hospitality and healthcare.

- ePayments (up 4%): The division returned to growth in the second quarter, making extremely rapid operational progress in both technological and business terms. The first investments in its platforms have already led to significant service quality enhancements. In addition, the deployment of IngenicoConnect on the GlobalCollect platform has enabled the Group to win greater market share with strategic customers as well as new contracts. During the second quarter, the number of e-merchants increased significantly and the Group finalized an agreement with Alipay, reflecting this major company's confidence in the platform's performance.

Gross profit up 3%

Adjusted gross profit in the first half of 2016 was €490 million, equal to 43.2% of revenue.
At 46.7% of revenue, gross margin remained high in the Terminals business, but was 110 basis points lower than in the prior-year period, due to a less favorable product mix.
Gross margin in the Payment Services business fell 290 basis points to 35.3% of revenue. That result was primarily attributable to a changing customer mix and to rising expenditure to enhance performance on the ePayments division's platforms.

Operating expenses up to 25% of revenue

On an adjusted basis, operating expenses in the first half of 2016 increased by 12% to €284 million. As announced at the start of the year, the Group has stepped up expenditure, both in its Terminals business to launch the Telium Tetra range and develop new offers, and in its Payment Services business to add new features to its platforms. Operating expenses represented 25.1% of revenue, versus 23.9% in the first half of 2015.

EBITDA margin in line with objective

The Group recorded EBITDA of €244 million, compared with €249 million in the first half of 2015. This brought the EBITDA margin to 21.5% of revenue, a result in line with management objective for the full year. At 18.1% of revenue, EBIT reached €206 million in the first half of 2016, versus €221 million in the prior-year period.

Substantial profit from operating activities

Other operating income and expenses represented a net expense of €0.4 million, down from €3 million in the first half of 2015.
Purchase Price Allocation expenses totaled €21 million in the first half of 2016, versus €25 million in the prior-year period.

After accounting for Purchase Price Allocation and other operating income and expenses, profit from operations totaled €184 million, compared with €194 million in the first half of 2015. The Group's operating margin was equal to 16.2% of revenue, versus 18.3% in the first half of 2015.

Profit attributable to Group shareholders on par with the previous year

At €1 million, net finance costs include an €8.5 million gain on the disposal of Visa Europe securities recognized at end-June.

Income tax expense fell from €64 million in the first half of 2015 to €56 million in the first half of 2016. As of June 30, 2016, the Group's estimated effective tax rate was 31%, a year-on-year improvement reflecting a more favorable country mix.

The net profit attributable to Ingenico Group SA shareholders in the first half of 2016 was €122 million, as in the prior-year period.

A sound financial position in line with the Group's growth plan

Total equity attributable to Ingenico Group SA shareholders was €1.588 billion.

During the first half of 2016, Ingenico Group's operations generated free cash flow of €64 million. This result was 8% higher than the prior-year amount, due to a smaller change in working capital than in the first half of 2015 despite business growth. At the same time, continued investment brought the Group's investing activities to €27 million.
The Group has maintained its goal for the year of converting approximately 45% of EBITDA into free cash flow.

The cash dividend paid in respect of 2015 was €34.5 million, whereas 54.8% of the total dividend amount was paid in stock (502,641 shares), reflecting strong shareholder confidence.

Accordingly, as of June 30, 2016, the Group's net debt stood at €232 million, down from €252 million as of December 31, 2015. The net debt-to-equity ratio was 15%, while the net debt-to-EBITDA ratio held steady at 0.5.

Highlights of the first half

Agreement with Alipay
Ingenico ePayments has scored a major win with Alipay, an iconic new economy company. The Group will be handling cross-border transactions for Alibaba.

Strategic acquisition in Japan
Ingenico Group has acquired a 70% interest in Lyudia from BroadBand Tower Inc., which will retain a 30% stake in the entity. Lyudia, a Japanese developer of payment applications and software, is the distributor of Ingenico terminals in Japan. This strategic move will allow Ingenico Group to gain a solid foothold in a market with high barriers to entry.

A stronger position for the Group in Southeast Asia
Ingenico Group has acquired the payment solutions business of Nera Telecommunications Ltd for 88 million Singapore dollars. This acquisition will give Ingenico Group an enhanced local payment applications portfolio and the ability to leverage the existing distribution and services network of a company with market leadership in Thailand and a substantial share of the market in Singapore, Indonesia, the Philippines, Malaysia and Vietnam. Completion is expected to take place during the third quarter of 2016.

Acquisition of Think&Go NFC
Ingenico Group has finalized the acquisition of Think&Go NFC, a start-up provider of connected screens. Think&Go NFC and Ingenico Group designed the first connected screens incorporating contactless payment technology, with the result that digital advertising displays are turned into genuine points-of-sale.

Outlook

The Group has maintained its objective for full-year organic revenue growth in 2016 at 10% or above, despite a troubled economy in Brazil and the uncertainty surrounding the pace of inventory destocking among distributors in the United States. Business will remain vigorous in Europe and Asia, and the ePayments division will return to double-digit growth in the second half of the year.

The Group has also maintained its full-year objective for EBITDA margin, which is expected to reach 21% of revenue in 2016.

Conference call

A conference call to discuss Ingenico Group's H1 2016 results will be held on July 26, 2016 at 6.00 p.m., Paris time. Dial-in numbers: 01 70 99 32 08 (French domestic), +1 646 851 2407 (for the United States) and +44 (0)20 7162 0077 (international) with conference code: 959181. The presentation will also be available on www.ingenico.com/finance.

About Ingenico Group

Ingenico Group (Euronext: FR0000125346 – ING) is the global leader in seamless payment, providing smart, trusted and secure solutions to empower commerce across all channels, in-store, online and mobile. With the world's largest payment acceptance network, we deliver secure payment solutions with a local, national and international scope. We are the trusted world-class partner for financial institutions and retailers, from small merchants to several of the world's best known global brands. Our solutions enable merchants to simplify payment and deliver their brand promise.
Learn more at www.ingenico.com twitter.com/ingenico

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Upcoming events

Conference call on H1 2016 results: July 26, 2016 at 6 p.m., Paris time
Q3 2016 revenue: October 26, 2016

EXHIBIT 1

Basis for preparing the 2016 interim financial statements

The consolidated financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRS). In order to provide meaningful comparable information, these data have 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 IFRS3R, the purchase price for new entities is allocated to the identifiable assets acquired and subsequently amortized over specified periods.

The main financial data for 2015 has been analyzed on an adjusted basis, i.e., before purchase price allocation (PPA). Please see Exhibit 3.

EBITDA is not an accounting term; it is a financial metric defined here as profit from ordinary activities before depreciation, amortization and provisions, and before expenses for shares distributed to employees and officers. The reconciliation of adjusted profit from ordinary operations to EBITDA is available in Exhibit 3.

EBIT (Earnings Before Interest and Taxes) 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 (Note 5e in the exhibit of interim financial statements)

EXHIBIT 2
Income statements, balance sheet, cash flow statements

1. INTERIM CONSOLIDATED INCOME STATEMENTS (REVIEWED)

(in millions of euros)	June 30, 2016	June 30, 2015
REVENUE	1 133	1 058
Cost of sales	(650)	(590)
GROSS PROFIT	484	468
Distribution and marketing costs	(99)	(99)
Research and development expenses	(87)	(70)
Administrative expenses	(113)	(102)
PROFIT FROM ORDINARY ACTIVITIES	184	197
Other operating income	3	0
Other operating expenses	(4)	(3)
PROFIT FROM OPERATING ACTIVITIES	184	194
Finance income	45	60
Finance costs	(46)	(66)
NET FINANCE COSTS	(1)	(6)
Share of profits in equity-accounted investees	(0)	0
PROFIT BEFORE INCOME TAX	183	188
Income tax expense	(56)	(64)
NET PROFIT	127	124
Attributable to:		
- Ingenico Group SA shareholders	122	122
- non-controlling interests	5	1
EARNINGS PER SHARE (in €)		
Net earnings:		
- basic earnings per share	2.01	2.03
- diluted earnings per share	1.96	2.02

2. INTERIM CONSOLIDATED BALANCE SHEET (REVIEWED)

ASSETS *(in millions of euros)*	June 30, 2016	Dec. 31, 2015
Goodwill	1 358	1 351
Other intangible assets	499	509
Property, plant and equipment	54	56
Investments in equity-accounted investees	9	12
Financial assets	12	11
Deferred tax assets	53	49
Other non-current assets	32	31
TOTAL NON-CURRENT ASSETS	2 016	2 019
Inventories	146	144
Trade and related receivables	477	461
Receivables related to intermediation activities	16	10
Other current assets	31	32
Current tax assets	11	7
Derivative financial instruments	16	10
Funds related to intermediation activities	282	256
Cash and cash equivalents	853	920
TOTAL CURRENT ASSETS	1 832	1 842
TOTAL ASSETS	3 848	3 860

EQUITY AND LIABILITIES *(in millions of euros)*	June 30, 2016	Dec. 31, 2015
Share capital	61	61
Share premium account	766	722
Other reserves	726	682
Translation differences	34	41
Equity for the period attributable to Ingenico Group SA shareholders	1 588	1 506
Non-controlling interests	6	5
TOTAL EQUITY	1 594	1 511
Non-current borrowings and long-term debt	894	885
Provisions for retirement and benefit obligations	19	17
Other long-term provisions	22	21
Deferred tax liabilities	144	142
Other non-current liabilities	110	98
TOTAL NON-CURRENT LIABILITIES	1 190	1 163
Short-term loans and borrowings	190	287
Other short-term provisions	32	31
Trade and related payables	432	439
Payables related to intermediation activities	298	266
Other current liabilities	96	135
Current tax liabilities	14	28
Derivative financial instruments	3	1
TOTAL CURRENT LIABILITIES	1 065	1 187
TOTAL LIABILITIES	2 255	2 350
TOTAL EQUITY AND LIABILITIES	3 848	3 860

3. INTERIM CONSOLIDATED CASH FLOW STATEMENTS (REVIEWED)

(in millions of euros)	June 30, 2016	June 30, 2015
Profit for the period	127	124
Adjustments for:		
- Share of profit of equity-accounted investees	0	(0)
- Income tax expense/(income)	56	64
- Depreciation, amortization and provisions	44	45
- Change in fair value	(6)	0
- Gains/(losses) on disposal of assets	(0)	1
- Net interest costs/(revenue)	(1)	5
- Share-based payment expense (1)	15	9
Interest paid	(11)	(13)
Income tax paid	(75)	(73)
Cash flows from operating activities before change in net working capital	**150**	**161**
inventories	(3)	(23)
trade and other receivables	(25)	(41)
trade payables and other payables	(41)	(17)
Change in net working capital	**(69)**	**(81)**
NET CASH FLOWS FROM OPERATING ACTIVITIES	80	80
Acquisition of non-current assets	(27)	(28)
Proceeds from sale of tangible and intangible fixed assets	9	1
Disposal of subsidiaries, net of cash disposed of	3	-
Acquisition of subsidiaries, net of cash acquired	(8)	-
Loans and advances granted and other financial assets	(2)	(4)
Loan repayments received	1	1
Interest received	4	5
CASH FLOWS FROM FINANCING ACTIVITIES	(21)	(25)
Purchase/(sale) of treasury shares	0	0
Proceeds from loans and borrowings	-	746
Repayment of loans and borrowings	(94)	(501)
entities	1	103
Changes in other financial liabilities	(0)	6
Dividends paid to shareholders	(34)	(31)
Tax on financing activities	-	(8)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(128)	315
Effect of exchange rates fluctuations	3	7
CHANGE IN CASH AND CASH EQUIVALENTS	(66)	377
Cash and cash equivalents at beginning of the year	900	412
Cash and cash equivalents at year end	834	789

	June 30, 2016	June 30, 2015
CASH AND CASH EQUIVALENTS		
Short-term investments and short-term deposits (only for the portion classed as cash and cash equivalents)	237	306
Cash and cash equivalents	616	504
Bank overdrafts	(19)	(22)
TOTAL CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS	834	789

EXHIBIT 3

Impact of purchase price allocation (PPA)

(in millions of euros)	H1'16 adjusted excl. PPA	PPA impact	H1'16
Gross profit	490	(6)	484
Operating expenses	(284)	(15)	(299)
Profit from ordinary activities	206	(21)	184

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:

(in millions of euros)	H1'16	H1'15
Profit from ordinary activities	184	197
Allocated assets amortization	21	25
EBIT	206	221
Other D&A and changes in provisions	23	20
Share-based payment expenses	15	8
EBITDA	244	249