

## Double digit growth at the end of September 2016 objectives confirmed

- **Q3 2016 revenue of €570 million, representing organic growth<sup>1</sup> of +7%**
  - Strong performance in ePayment business with 22% organic growth in the third quarter
  - Outstanding performances in Europe-Africa and Asia-Pacific in the Terminal business
  - Excluding United States and Brazil, organic growth of +18% in the third quarter
- **Revenue of €1.703 billion for the first nine months , representing organic growth<sup>1</sup> of 10%**
- **Objectives for 2016 maintained**
  - Organic growth<sup>1</sup>  $\geq$  +7%
  - EBITDA margin<sup>2</sup>  $\geq$  20%

Ingenico Group ((Euronext: FR0000125346 - ING) announced today its revenue for the third quarter of 2016.

Philippe Lazare, the Chairman and Chief Executive Officer of Ingenico Group, commented: “*Our Q3 performance has been satisfactory, despite unfavorable market conditions in the US and in Brazil during the quarter. Europe-Africa and Asia-Pacific have performed outstandingly well, while ePayments is now back to double-digit growth, as we anticipated. As such, we reaffirm our objectives for 2016.*

*The long-term fundamentals of our business model remain in place. Our investments in on-line payment are yielding returns, with the ePayments division expected to be a key growth driver for the future.”*

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<sup>1</sup> On a like-for-like basis at constant exchange rates.

<sup>2</sup> 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 share-based compensations.

## Revenue

	As of September 30, 2016			Q3 2016		
	€m	% change		€m	% change	
		Comparable <sup>1</sup>	Reported		Comparable <sup>1</sup>	Reported
Europe-Africa	632	17%	13%	224	22%	17%
APAC & Middle East	377	25%	19%	114	12%	7%
Latin America	130	-17%	-25%	44	-24%	-20%
North America	209	-5%	-6%	62	-31%	-32%
ePayments	355	8%	6%	126	22%	20%
Total	1,703	10%	6%	570	7%	4%

### Performance in the first nine months

In the first nine months of 2016, revenue totaled €1.703 billion, representing a 6% increase on a reported basis, including a negative foreign exchange impact of €64 million. Total revenue included €1.172 billion generated by the Payment Terminals business and €531 million generated by Payment Services.

On a comparable basis<sup>1</sup> revenue growth was 10% higher than in the prior-year period, a result that included a 10% increase in Payment Terminals and a 9% increase in Payment Services.

The strong growth achieved since the start of the year in Europe was driven by Ingenico Group's multi-local footprint and high-quality customer service. It also reflects the Group's ability to take advantage of regulatory change in mature markets. In Asia-Pacific, growth was particularly strong in Australia, where the new Telium Tetra range was successfully launched, and in China, where Ingenico Group has continued to enjoy high volume. In contrast, Brazil's unfavorable macro-economic conditions heavily affected business volumes in Latin America. In North America, as indicated in early September, Ingenico Group was confronted with a sudden decline in demand for its products, due to relaxation of the deadline for EMV migration. Finally, investments in the ePayments division over the last few months has led to strong sales momentum driven in particular by implementation of the contract with Alipay.

### Performance in the third quarter

In the third quarter of 2016, revenue totaled €570 million, representing a 4% increase on a reported basis, including a negative foreign exchange impact of €14 million. Total revenue included €384 million generated by the Terminals business and €186 million generated by Payment Services.

On a comparable basis<sup>1</sup> revenue growth was 7% higher than in the third quarter of 2015, a result that included a 2% increase in Payment Terminals and an 18% increase in Payment Services.

Compared with Q3 2015, the various divisions performed as follows on a like-for-like basis and at constant exchange rates:

**- Europe-Africa (+22%):** Sales activity was quite brisk once again in the United Kingdom and in the Nordic countries. The replacement cycle for PCI V1 terminals was still strong, highlighting Ingenico Group's ability to take full advantage of the opportunities created by favorable regulatory change in mature markets. In France, growth remained solid, thanks to the high quality of the Group's product range and customer service. In Eastern Europe, Ingenico Group increased its market share during the quarter. The strategy initiated several years ago to establish a presence in Greece enabled the Group to profit from the vigorous demand created by legislation promoting electronic payment. In Russia, sales doubled once again, driven by high-quality execution of the Sberbank contract.

At the same time, Payment Services continued to trend upwards. Transaction volume grew in Germany and on the Axis platform.

**- Asia-Pacific and Middle East (+12%):** Sales are dynamic in China, where online-offline convergence is bringing an important additional source of growth. Successful Telium Tetra deployment in Australia was a further driver of third-quarter sales.

In Turkey, the Group still has a large pipeline of orders and growth is in line with expectations.

**- Latin America (-24%):** As anticipated, Ingenico Group was impacted by the unfavorable macro-economic situation in Brazil, with lower volumes orders from most acquirers. The Group continued to gain market shares in Mexico, specifically in the retail segment, and started to deliver Telium Tetra terminals to one of the main acquirers. Performance remained solid throughout the rest of the region.

**- North America (-31%):** The US market was heavily impacted by EMV policy change. The resulting slowdown in EMV migration has masked the market share gains recorded by the Group in the hospitality and retail businesses. In Canada, Ingenico Group delivered a solid performance, driven by replacement of some acquirers' installed base.

**- ePayments (+22%):** Operational performance was outstanding in the third quarter. The stability of its platforms and enhanced service support allowed the ePayments division to deliver strong growth. The migration of the entire customer base to the new front office was successfully carried out. Ingenico Group's platform meets the most demanding standards.

Growth was accelerated by particularly high flows from certain key customers, and it benefited from a favorable basis of comparison.

## Outlook

The Group maintains its full-year objectives for organic revenue growth in 2016 at 7% or above, as well as for EBITDA margin, which is expected to be at 20% or above.

Regarding the coming quarters, the trends observed today are as follows:

In Europe-Africa, after three quarters of particularly successful growth, the Group expects a slowdown in the PCI V1 replacement cycle.

Asia-Pacific and Middle East Region should continue to grow driven by countries which the Group has recently entered.

In Latin America, sales declines are expected to stabilize progressively.

In North America, activity will be further affected by unfavorable comparatives in Q4 of this year and at the start of next year. However market share gains are expected in new segments in the US. The ePayments division should maintain a good level of growth.

## Conference call

A conference call to discuss Ingenico Group's Q3 2016 revenue will be held on October 26, 2016 at 6.00 p.m., Paris time. Dial-in numbers:


01 70 99 32 12 (French domestic), +1 646 934 6795 (for the United States) and +44 (0)20 7162 0177 (international) with the conference code: 960278. The presentation will also be available on [www.ingenico.com/finance](http://www.ingenico.com/finance).

*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 Group. These data, assumptions and estimates may change or be amended as a result of uncertainties connected in particular with the performance of Ingenico Group and its subsidiaries. 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 Group therefore makes no firm commitment on the realization of the growth objectives shown in this release. Ingenico Group 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. This release shall not constitute an offer to sell or the solicitation of an offer to buy or subscribe for securities or financial instruments.*

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## 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](http://www.ingenico.com)  [twitter.com/ingenico](https://twitter.com/ingenico)

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### Upcoming events

Conference call on Q3 2016 results: October 26, 2016 at 6.00 p.m., Paris time.  
Q4'16 revenue and FY16 results: February 23, 2017