



FY 2016
earning results

FEBRUARY 23RD, 2017



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• agenda FY 2016

- **FY16 Key highlights**

Philippe Lazare, Chairman and CEO

- **Performance and financial results**

Nathalie Lomon, EVP Finance

- **Strategic update & outlook**

Philippe Lazare, Chairman and CEO

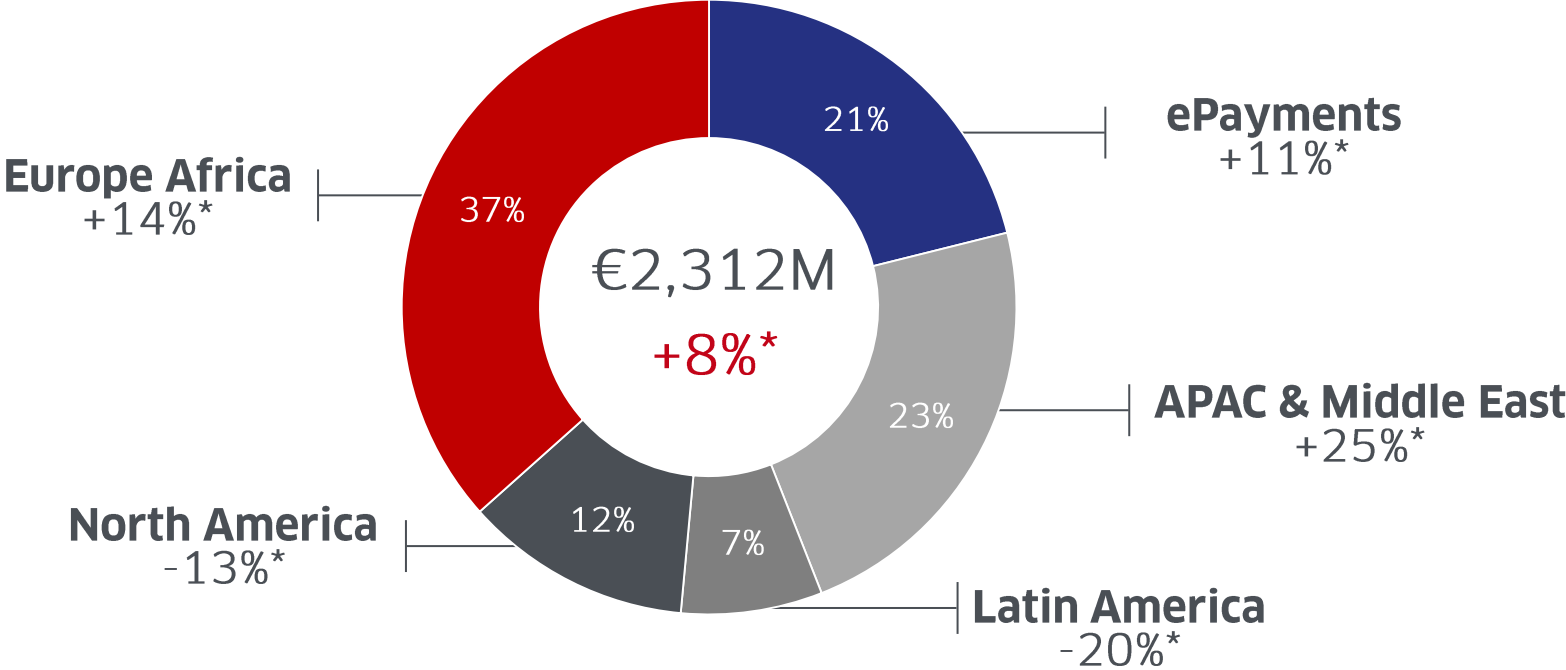


FY 16 Key Highlights

Highlights

- **Strong revenue growth : €2,312m**
 - Like-for-like growth: +8%
 - Like-for-like growth excl. Brazil and the US: +16%
- **EBITDA margin 20.6%**
- **FCF/ EBITDA conversion of 52%**
- **Net income, attributable to shareholders up to €244m (+6%)**
- **Key Highlights**
 - ePayments as one of the key pillars with growth accelerating throughout the year
 - Omnichannel offer expansion
 - Outstanding performance in Europe and Asia
- **2017 Objectives**
 - Organic growth around 7%
 - EBITDA margin slightly increasing vs. 2016

2016 Highlights / revenue by market



*Growth rate at constant FX & scope

2016 Highlights / ePayments

- Back to double digit growth in H2 (>20% YoY)
- Commercial success among international retailers
 - Full-service payment processing to Aliexpress
 - Global payment processing and conversion optimization for Booking.com
- Development of best-in-class functionalities
 - Front-end upgrade
 - Messaging Bots
- Platform performance
 - Record-breaking number of processed transactions in one day
 - Record availability rate in 2016

2016 Highlights / omnichannel



Q4 progress

8 contracts signed in Q4

Pipeline >30 prospects
with 9 new ones in Q4

Covered geographies:
France, UK, Spain and
European cross border

2016 KPI

27 contracts signed
representing 1bn
transactions/year

5 European countries

Deployments

Carrefour: Deployment of
Lane 5000 terminals combined
with centralized in-store
solution and online services

Spie: Deployment of electric
car charging solution
recognized with a token

2016 Highlights / Smart Terminals

APAC & Middle-East



- Strong growth in China
- Sustained performance in the remaining 50% of the region

Europe & Africa



- Strong presence and relationship with customers
- Regulation-driven replacement cycle
- Expansion in emerging markets and service

Outstanding performance in Asia-Pacific and in Europe & Africa



Performance and financial results

FY 2016

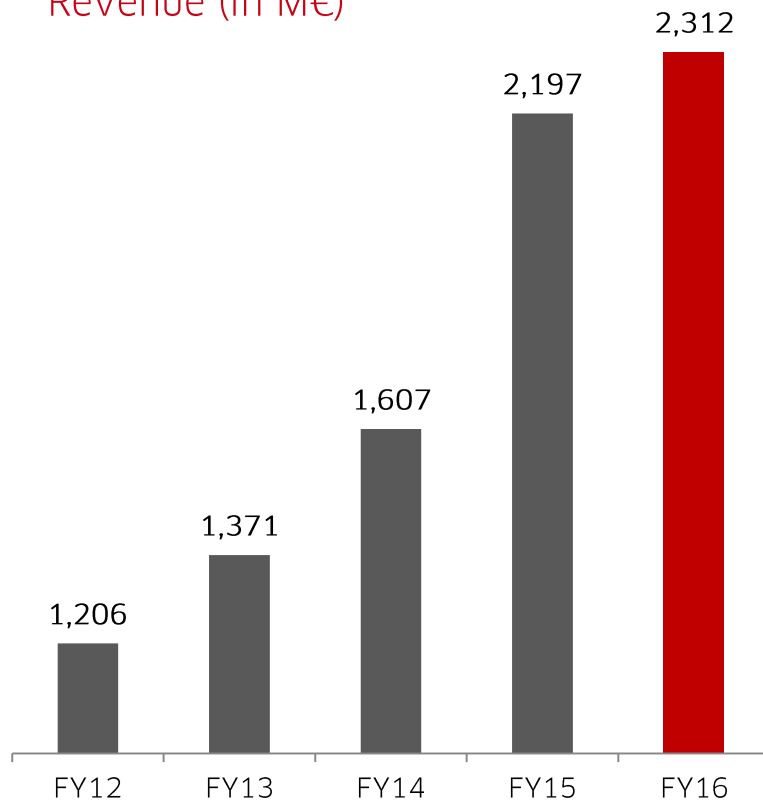
Basis of presentation for FY16 financials

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. excluding the impact of PPA amortization (IFRS3)
- Foreign exchange gains and losses (including hedging) are reported in the income statement depending on their nature

FY16 / strong and sustained growth

Revenue (in M€)



Year-on year: +5%

- FX impact: -72M€
- Scope impact: +10M€

Like-for-like: +8%

Life-for-like excl. US and Brazil: +16%

By geography

- Outstanding performance in Europe and APAC
- Unfavourable conditions in US and Brazil

By business segment

- Terminals / +7%
- Payment services activities / +11% including ePayments: +10%

Q4'16 organic growth / performance per region

ePayments (+19%*)



- Increasing volumes (Single Day, Thanksgiving, Cyber Monday)
- Strong commercial success

North America (-32%*)



- EMV deadline relaxation
- Market share gains in new verticals

Europe & Africa (+7%*)



- Replacement cycle in nordic countries
- Market share gains in Eastern Europe
- Instore services expansion in Western Europe



- Unfavorable economic conditions in Brazil
- Telium Tetra certifications and deployment

Latin America (-30%*)



- Strong demand in South East Asia and India
- Tetra deployment in Australia

APAC & Middle-East (+23%*)

FY16 / consolidated income statement

| In €M | FY16 | FY15 | Changes vs. FY15 |
|--|-------------|-------|-------------------------|
| Revenue | 2,312 | 2,197 | +8%* |
| Gross Profit | 987 | 972 | +2% |
| <i>In % of revenue</i> | 42.7% | 44.3% | (160)bpts |
| EBITDA | 476 | 508 | (6)% |
| <i>In % of revenue</i> | 20.6% | 23.1% | (250)bpts |
| EBIT | 403 | 437 | (8)% |
| <i>In % of revenue</i> | 17.5% | 19.9% | (240)bpts |
| Net profit, attributable to Ingenico Group shareholders | 244 | 230 | 6% |

Strong investments preparing the future

*Growth rate at constant FX & scope

FY16 / gross profit by activity

| <i>in €M</i> | Terminals | Payment Services | FY16 |
|-----------------------------|--------------|------------------|--------------|
| Revenue | 1,584 | 728 | 2,312 |
| <i>Like-for-like growth</i> | +7% | +11% | +8% |
| Adj. Gross profit | 733 | 255 | 987 |
| <i>In % of revenue</i> | 46.3% | 35.0% | 42.7% |

High margins despite change in geographic mix, and spendings on ePayments platforms

FY16 / operating expenses

| <i>in €M</i> | FY16 | FY15 |
|-------------------------------------|--------------|--------------|
| Sales & Marketing | 175 | 168 |
| Research & Development | 177 | 155 |
| General & Administrative | 232 | 212 |
| Adj. Operating expenses | <i>584</i> | <i>536</i> |
| <i>In % of revenue</i> | <i>25.3%</i> | <i>24.4%</i> |

Increased spendings for Telium Tetra launch and ePayments platforms

FY16 / net profit

| <i>In M€</i> | FY16 | FY15 |
|---|--------------|-------|
| Adj. EBIT | 403 | 437 |
| Purchase Price Allocation | (42) | (48) |
| Other income & expenses | (5) | (8) |
| Financial result & Equity Method | (8) | (21) |
| Income before tax | 348 | 359 |
| Income tax | (97) | (125) |
| Income tax rate | 27.9% | 34.5% |
| Net Result | 251 | 235 |
| Net Result, attributable to shareholders | 244 | 230 |

FY16 / Free Cash Flow

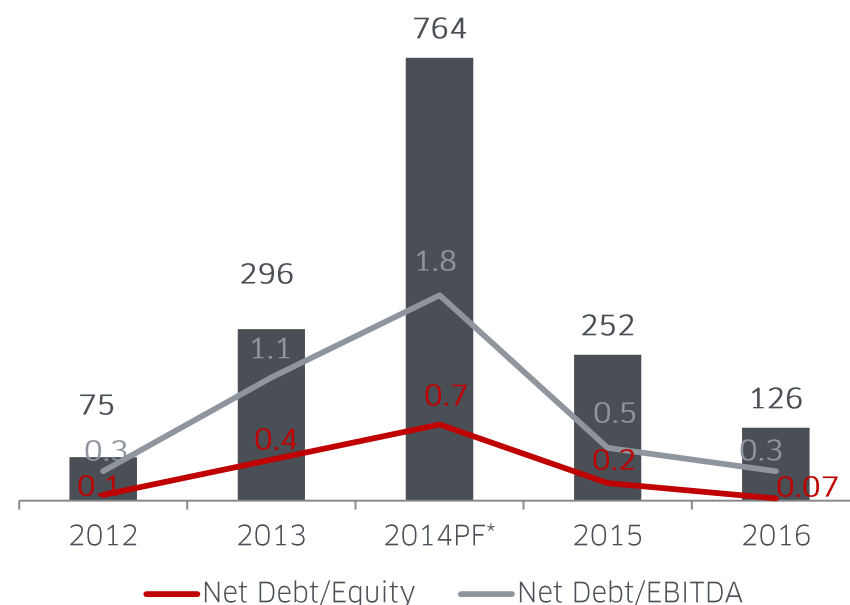
| <i>In M€</i> | FY16 | FY15 |
|------------------------------------|--------------|-------|
| EBITDA | 476 | 508 |
| Working capital changes | (12) | (14) |
| Capex | (77) | (62) |
| Other income & expenses | (4) | (5) |
| Interests paid | (4) | (5) |
| Tax paid | (131) | (137) |
| Free Cash Flow | 248 | 285 |

Strong Free Cash Flow generation despite higher investments
with a FCF/ EBITDA at 52%

FY16 / sound financial structure

| In M€ | FY16 | FY15 |
|-----------------------------------|------------|------------|
| Net debt as of Jan. 1 | 252 | 764 |
| Free Cash Flow | 248 | 285 |
| Dividend paid | (37) | (31) |
| OCEANE | - | 185 |
| Call option on shares | (14) | - |
| Acquisitions net of disposals | (61) | 87 |
| Others | (10) | (14) |
| Change in net debt | 126 | 512 |
| Net debt as of December 31 | 126 | 252 |

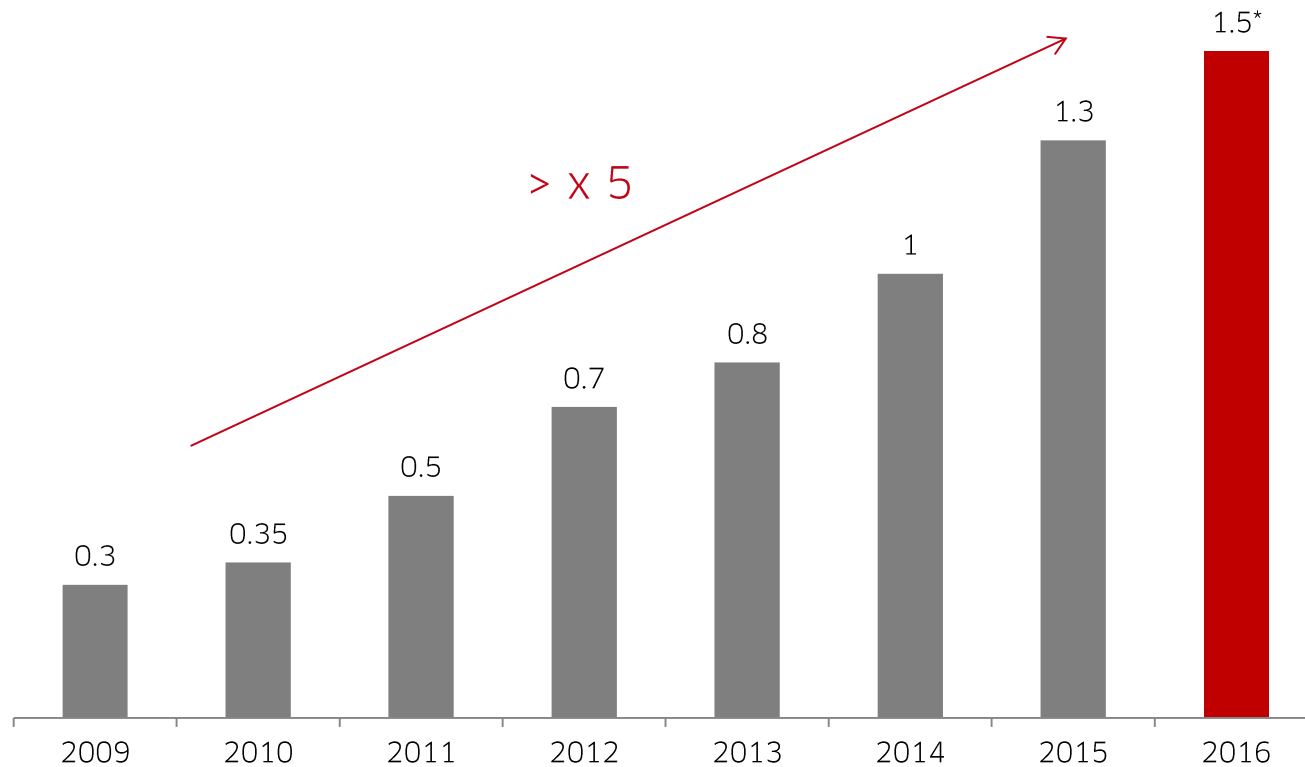
Net debt



*Including GlobalCollect on a FY basis

Strong cash generation further strengthening the Group's balance sheet

Proposed dividend / increasing by +15% to 1,50€ in 2016



* Dividend proposed to next AGM

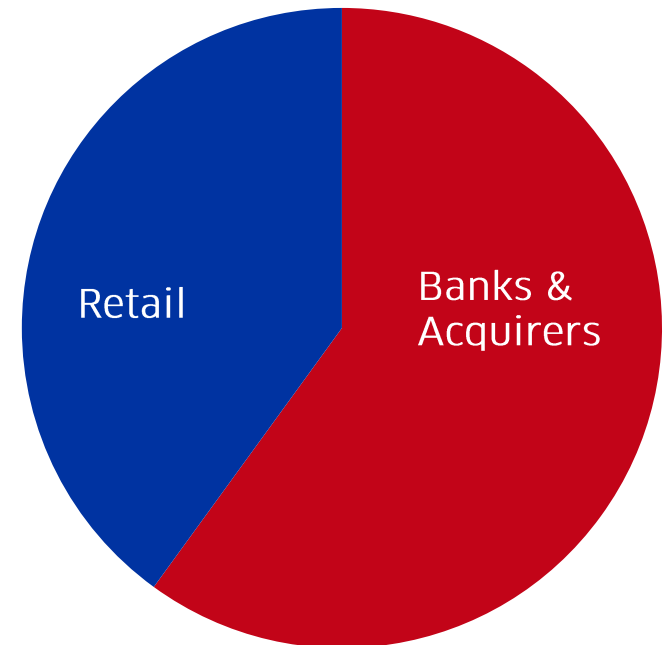


Strategic
update &
outlook

Strategy / new organization

- **Creation of a customer-centric organization**
- **Address distinct needs of physical and online retailers and banks and acquirers**
- **Better suited with Group's size and evolution**
- **North America maintains a unique structure**
- **Effective beginning of April 2017***

2016 revenue split per BU



Retail / presentation

- **Help large online and instore retailers to**

- Follow consumers across sales channels
- Expand cross border sales
- Increase conversion rate
- Provide seamless customer experience

| 2016 Revenue | Transactions processed in 2016 |
|----------------------------|--------------------------------|
| c. 40% 2016 Group revenues | c.5.1bn in volume |

- **Strong suite of assets**

- In-store and online payment gateways
- Full service solutions
- State-of-the art omnichannel solutions
- Terminals dedicated to retailers needs

| # merchants |
|-------------|
| > 250,000 |

- **Market drivers**

- Online/instore convergence
- eCommerce growth
- Crossborder transactions
- Increasing omnichannel requests

| # currencies | # payment methods |
|--------------|-------------------|
| >250 | >150 |

Banks & Acquirers / presentation

• Help banks and acquirers to

- Decrease payment management costs
- Reduce payment complexity
- Differentiate their offer to merchants

• Strong suites of assets

- Ingenico and Landi terminals range
- Added value terminals solutions
- From offer design to after-sales services

• Market drivers

- War on cash: terminals with fiscal memory, demonetisation
- Increased security: EMV migration, PCI upgrades
- Increasing terminal penetration rate across all markets

| 2016 Revenue | # terminals produced in 2016 |
|----------------------------|------------------------------|
| c. 60% 2016 Group revenues | 11M units |

| # banks/acquirers |
|-------------------|
| > 1,000 |

| Payment method agnostic | Complete product range |
|--|---|
| Chip&Sign Chip&Pin Swipe NFC QR Code Biometric Bluetooth | mPOS aPOS iPOS Traditional POS Internet of Things |

Outlook / 2017 objectives

**Organic growth
around 7%**

**EBITDA margin
slightly
increasing
vs. 2016**

Outlook / Updated mid-term outlook

Revenue objective
**High single digit
organic growth**

**Improvement in
EBITDA margin**

FCF/Ebitda
Normative conversion ratio
45%

**Pay-out ratio
35%**



Appendix

PPA at Year End and amortization

| By Acquisition | Amortization | | | | |
|----------------|--------------|-------------|-------------|-------------|-------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| easycash | (4) | (4) | (4) | (4) | (3) |
| Sagem Monetel | (4) | (4) | (1) | 0 | 0 |
| XIRING | (1) | (1) | (1) | (1) | (1) |
| Ogone | (7) | (7) | (4) | (4) | (4) |
| GlobalCollect | (24) | (24) | (24) | (24) | (24) |
| Others | (2) | (2) | (1) | (1) | (1) |
| Total | (42) | (41) | (35) | (34) | (33) |



INVESTOR RELATIONS

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