



Ingenico ramps up its
transformation:
Acquisition of Bambora

JULY 20TH, 2017
INVESTORS PRESENTATION

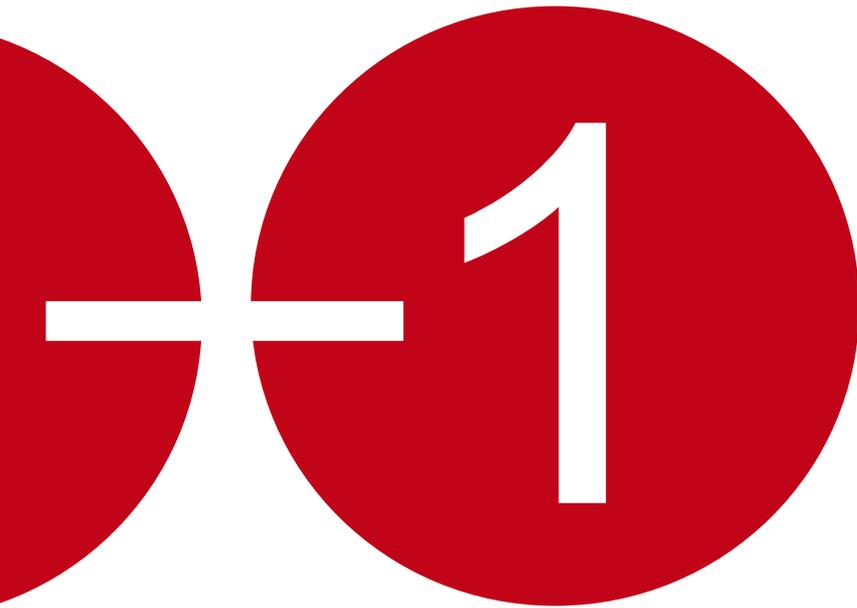


Disclaimer

This document includes forward-looking statements relating to Ingenico Group's future prospects, development and business strategies. By their nature, forward-looking statements involve risks and uncertainties and are not guarantees of future performance. Ingenico Group's financial condition and results of operations and the development of the industry in which Ingenico operates may differ materially from those made in or suggested by the forward-looking statements contained in this document. In addition, even if Ingenico Group's financial condition and results of operations and the development of the industry in which Ingenico operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in future periods. Ingenico does not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this document. In addition, the occurrence of certain of the risks described in the "Risk Factors" sections of the French language Document de Référence 2016 filed with the Autorité des marchés financiers (the "AMF") on March 29th 2017 under number D.17-0248 may have an impact on these forward-looking statements.

Agenda

- **Ingenico ramps up its transformation: acquisition of Bambora**
Philippe LAZARE, Chairman and CEO
- **H1 2017 preliminary unaudited financial results**
Nathalie LOMON, EVP Finance
- **Conclusion**
Philippe LAZARE, Chairman and CEO



Acquisition
of Bambora:

**Ingenico ramps up its
transformation**

Key transaction highlights

- Acquisition of Bambora, **a fast growing player in payment services**
- **Accelerate** Ingenico Group's **strategy towards payment services with a disruptive approach**
- **Key addition of a customer focused, performance driven payment services provider**
 - Differentiated end-to-end offering for the underserved **SMB market**
 - **Online acquiring** platform
 - Complementary **online and technological** expertise
 - Complementary **geographical** footprint (Nordics, North America, Australia)
 - Scalable, **customer centric platforms** and capabilities
- Total consideration of **€1.5 billion**
 - Meaningful reinvestment of Bambora's top management
- **Synergies of €30 million** (run-rate EBITDA) to be realized over 3 years, essentially in the Retail BU
- **Expected accretive impact on EPS** of c.5% in 2018 (excluding synergies and before PPA)

Our strategic initiatives to address market evolutions

ingenico
GROUP



Strengthen our unique in-store and multichannel offering in Europe

- Expand in **SMB** space
- Further **extend our in-store and multichannel** offering in Europe



Reinforce Online leadership

- Become a **one-stop-shop** addressing all complexities of merchant needs
- **Increase stickiness** by covering the whole payment value chain



Continued focus on digitization

- Be on par with **pure digital payment players** in order to address new territories, mainly "disruptive online merchants"
- **Increase digitization** of our products and processes

Bambora, a fast growing and innovative Payment Service Provider

Background

- **Fast growing** company operating across **Europe, North America and Australia** with over **700 employees**
- **Global Payment Service Provider** initially built on the **SEB merchant acquiring platform**

Strong strategic fit

- **Direct access to SMBs** in Europe and North America and **complementary Enterprise portfolio**
- **Online payment expertise**
- **Australia leadership**

Leading acquiring platform with scale

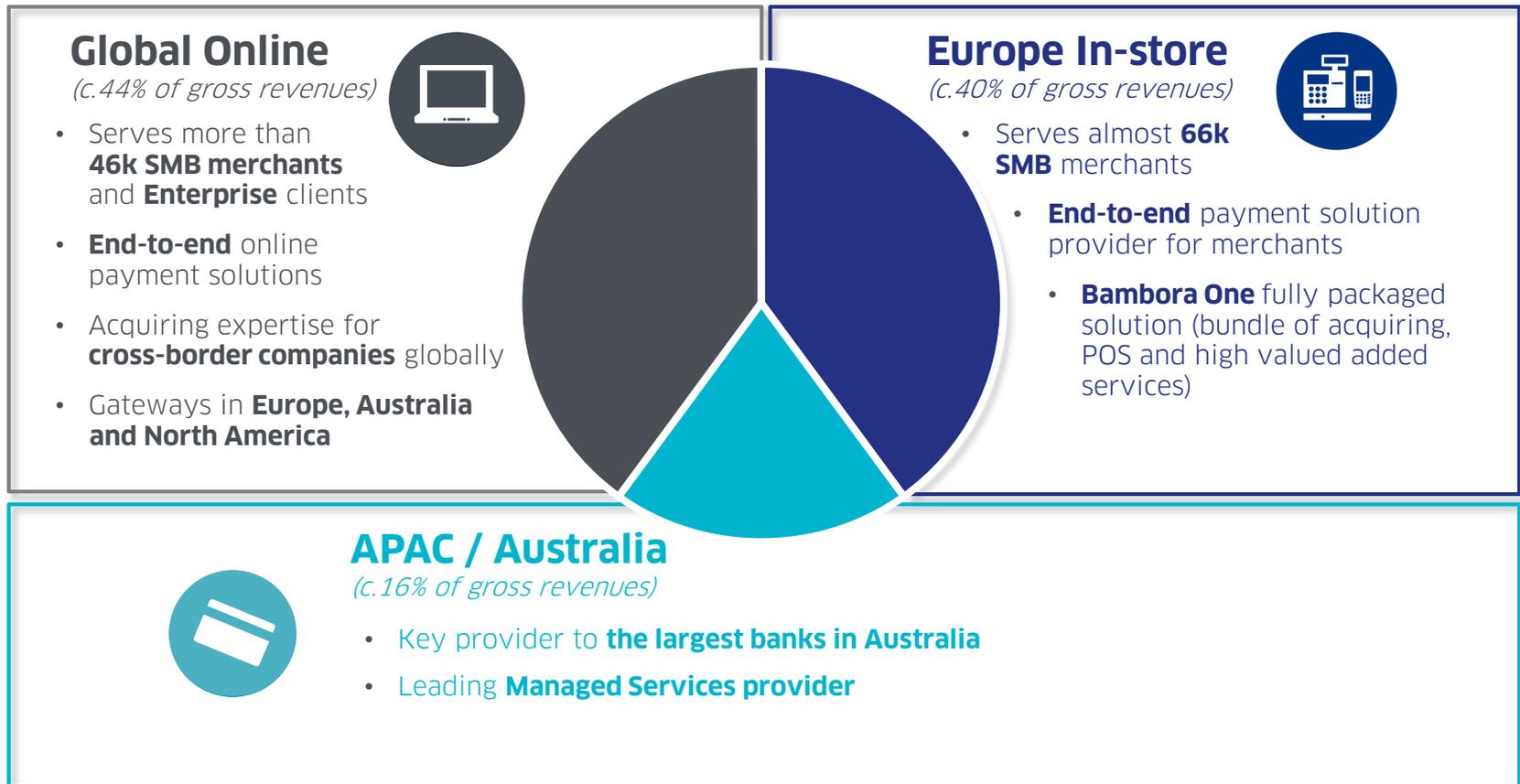
- **Strong acquiring platform** offering a mastery of the **full acceptance value chain** and extended data driven capabilities
- **€55 billion of managed transactions, of which €16 billion of acquiring flows**
- **Cross-border** acquiring expertise

Recurring, high-growth business model

- **+90% recurring revenue** model
- 2016 **gross revenue of €202 million**
- Expected **revenue growth of >20%** and **EBITDA growth of >30%** in 2 years

Bambora business overview

Fast-growing payment services provider initially built on the acquiring platform of SEB, complemented by strategic acquisitions



A booster for Ingenico's growth engine



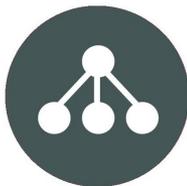
Unique customer-centric technology solutions driving value for merchants

- Technology functionalities **improving conversion rate and transactional flows**
- Nimble onboarding tools make **new client boarding fast and efficient**
- **Online, in-app** and **white label solutions** provision
- **Targeted growth engine** with **scalable platform**



Merchant acquiring step change for the Retail Business Unit

- **Acquiring license** in Europe
- Acquiring **expertise for cross-border companies globally**
- Platform built from inception with **Advanced functionalities**
- **Expand its own acquiring capabilities on top of existing partnerships** in order to enhance the full-service offer



Expanded global presence

- **Online in North America and Australia**
- **End-to-end leading managed services provider in Australia**

Customer-centric business model



Step up the approach of the fast growing end-to-end payment solutions market for SMBs in Europe

Card terminal
Wireless or stationary card terminal provided.

Acceptance
All Visa, MasterCard and Maestro cards accepted.

MyBambora
Personalized web portal with all payments, reports and statistics collected and displayed.

Customer support
At your service, six days a week.

Bambora One bundled offering of acquiring, POS and high value added services solutions



All-in-one offering



My Bambora
Personalized web portal



Seamless integration
Between POS, cash registers and terminals



Customer support
With 24-hour replacement service



Easy to understand pricing
Monthly subscription and fee per transaction

Technology enabler of superior customer experience



A strong technology-centric platform, customer focused and performance driven

Instant digital boarding

Highly efficient system takes <24 hours to onboard new customers¹

Full service offering

Holistic product offering gives customers maximum convenience and up-sell opportunities

Value-added services

Mobile wallets, invoice and consumer financing

Reporting & insights

Ability to gain insights into customer behaviours and preferences

Experience focus

System in place to regularly monitor feedback and improve services

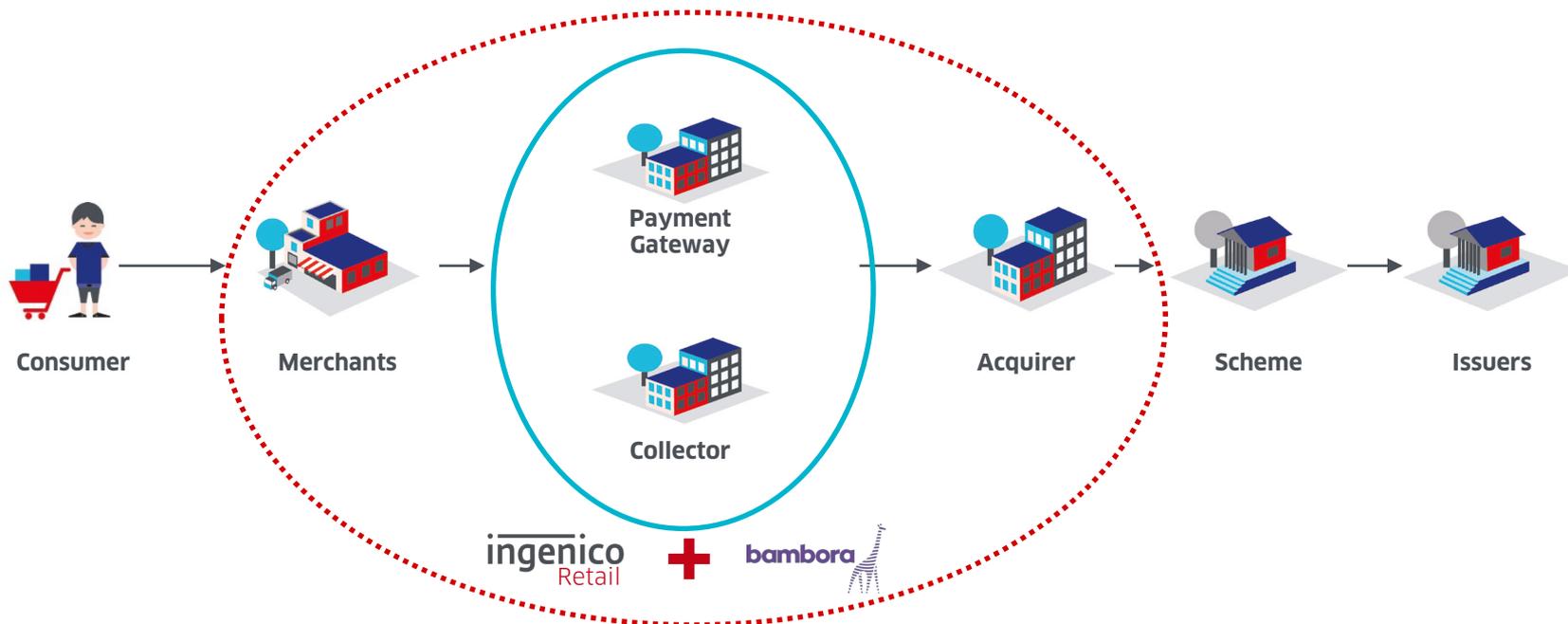
Digital marketing

Contact made through social media, direct marketing and banner adds

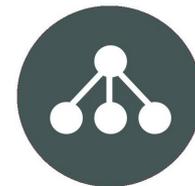


¹ In selected geographies

Merchant acquiring step change for the Retail Business Unit



- **Key asset** for ePayments' accelerating **development of online acquiring platform**
- Leading acquiring position in the **Nordics**, especially in the **eCommerce** space and **global cross-border expertise**
- **Powerful knowledge** given in-depth experience of the Bambora team
- **Technology mindset and superior functionalities** improving customer conversion rate and transactional flows



Expanded global presence

Complementary geographical footprint adding scale in Ingenico's markets

Online North America

- Leading provider of **online** and **in-app payment** solutions for Canadian **e-commerce merchants**
- Strong relationships with **major financial institutions** (ISO and payment facilitator models)
- Largest provider of **Interac, the no. 1 alternative payment method** in Canada

Australia

In-store

- Largest **independent, multi-vendor**, payment technology service provider
- Market leader in **secure, encrypted payments software and hardware** related technologies
- Leadership in **POS managed services for banks** in Australia, with more than **460k installed POS base**

Online

- Leading provider of **enterprise on-line payment solutions**
- Quality **blue-chip customer base**
- Services offered **direct** or via a **white label**

Bambora, a key milestone in executing our strategy



Strengthen our unique in-store and multichannel offering in Europe

- ✓ **Packaged solutions** and go-to-market channels and expertise for SMBs
- ✓ **Complementary set of capabilities** including in-store acquiring
- ✓ Strong complementarity in **geographical footprint** and **proven expertise** to deploy direct-to-SMBs offering in new countries



Reinforce Online leadership

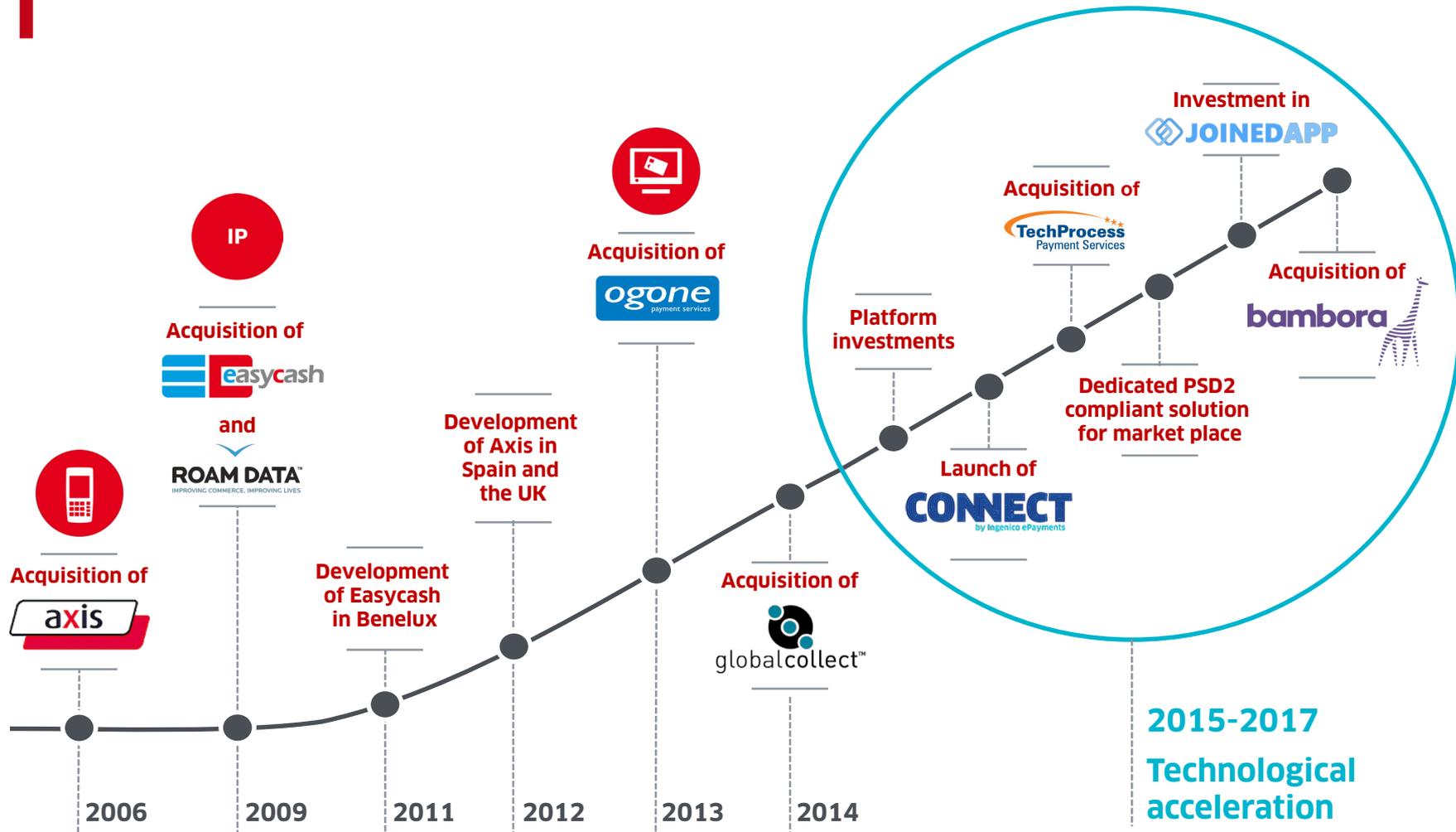
- ✓ **Online acquiring** capabilities in Europe and globally for cross-border companies
- ✓ Bambora platform to **process €55 billion of transactions, of which €16 billion of acquiring flows**
- ✓ **Expertise with SMBs** and Enterprises



Continued focus on digitization

- ✓ **Digital on-boarding capabilities** facilitate efficient front-end with focus on user experience
- ✓ **Data-driven analytics improving** lead generation
- ✓ Performance driven and value added services to **maximise payment performance and merchants' revenues**

Continuous ramp-up in payment services



Continuous transformation of the group

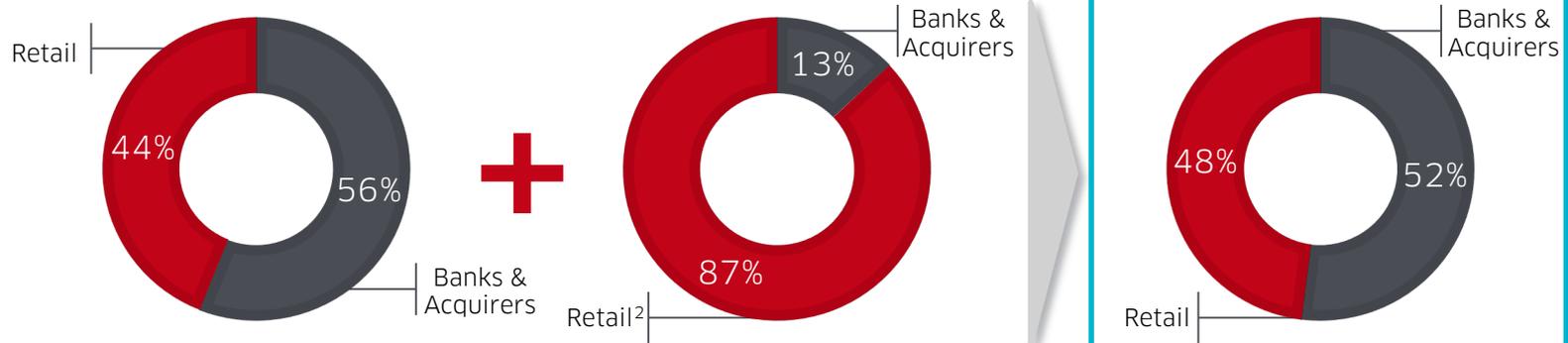
ingenico
GROUP

bambora

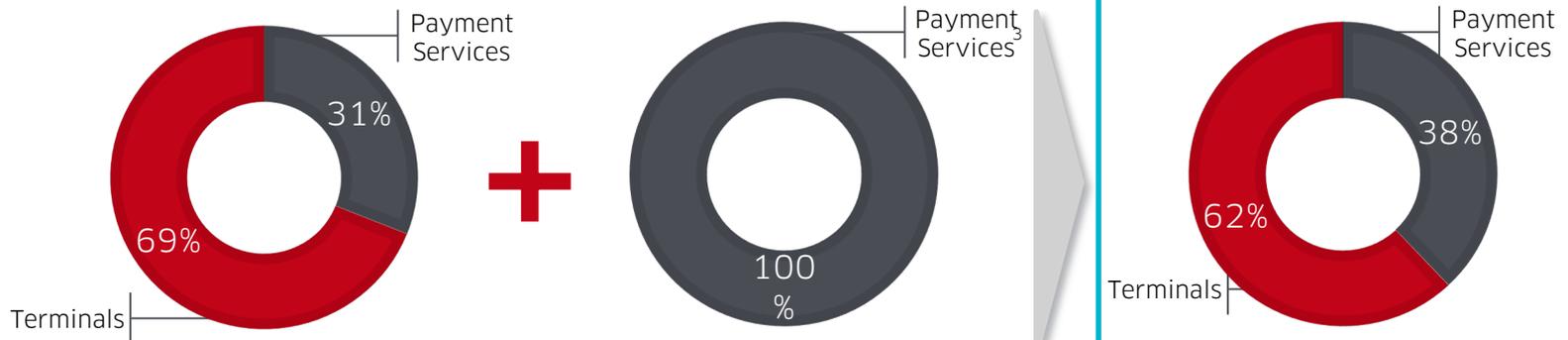
ingenico
GROUP

bambora

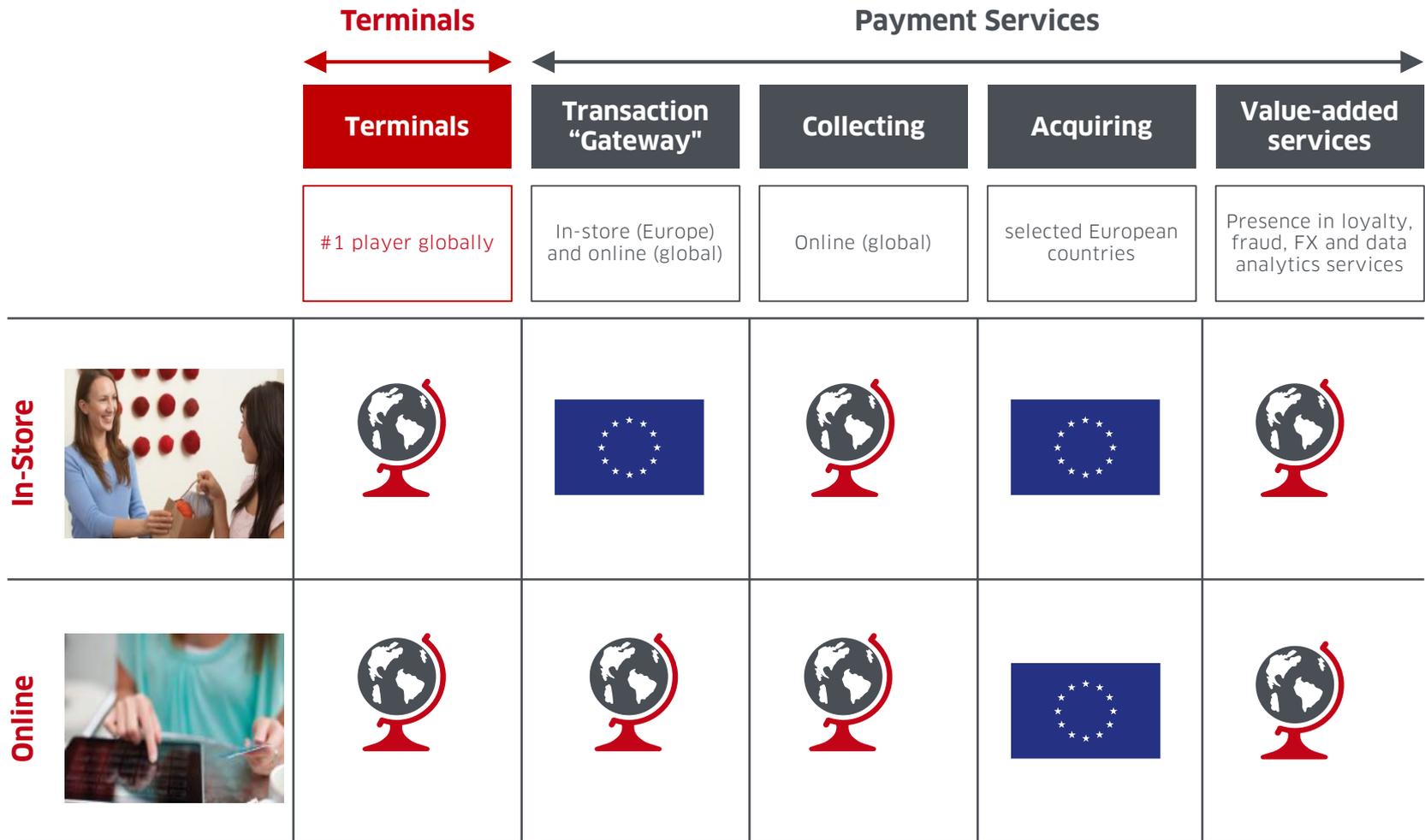
Impact on business units split¹



Higher revenue share in payment services¹



Presence across the whole payment value chain



Accretive transaction for Ingenico

- **Total consideration of €1.5bn**
 - Top Management to reinvest in Ingenico shares with significant part of their proceeds
- **Transaction financed through available cash and debt financing**
- Accretive to Ingenico's annual growth by **c.1 to 2%**
- **Synergies of €30 million** (run-rate EBITDA) to be realised over 3 years
- Pro forma **financial leverage to remain below 3x** by Dec 2017
- **Expected accretive impact on EPS** of c.5% in 2018 (excluding synergies and before PPA)
- **Retained flexibility** for future M&A
- **Expected closing during Q4 2017***

** Subject to approval from the relevant regulatory and antitrust authorities, and after the consultation of employee representative authorities*



H1 2017:

Preliminary unaudited
financial results

Basis of presentation for H1'17 preliminary unaudited financials

- **Full audited H1'17 results will be released on July 26th, 2017**
- **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
- **Review procedure related to the half-year consolidated accounts have been carried out. Review report will be issued after reviewing the half-year financial report**

H1'17 highlights

- **Revenue: €1,222m**

- Organic growth*: +5%
- Reported growth: +8%

- **EBITDA margin 20.0%**

- **Key Highlights**

- Solid performance in most regions. Organic growth excl. Brazil: +6%
 - Outstanding performance in Asia and Europe
 - Improvement in North America vs. Q1 2017
 - Unfavorable macroeconomic situation in Brazil
- Continued positive momentum for ePayments

- **Guidance 2017 confirmed**

- Organic growth *: c.7%
- EBITDA margin slightly increasing vs. 2016 (20.6%)

**Growth rate at constant FX & scope*

New organization in place

A Global client-centric organization

Banks & Acquirers

Allowing banks and acquirers to differentiate through innovation and value-added services while improving cost efficiency (estate management)

Retail

Supporting digitalization of commerce and maintain leadership in omnichannel payment

While, at Group level, optimizing our operating model

- Higher end-to-end industrial and R&D efficiency
- Sharing modules across platforms
- Leveraging scale to optimise costs

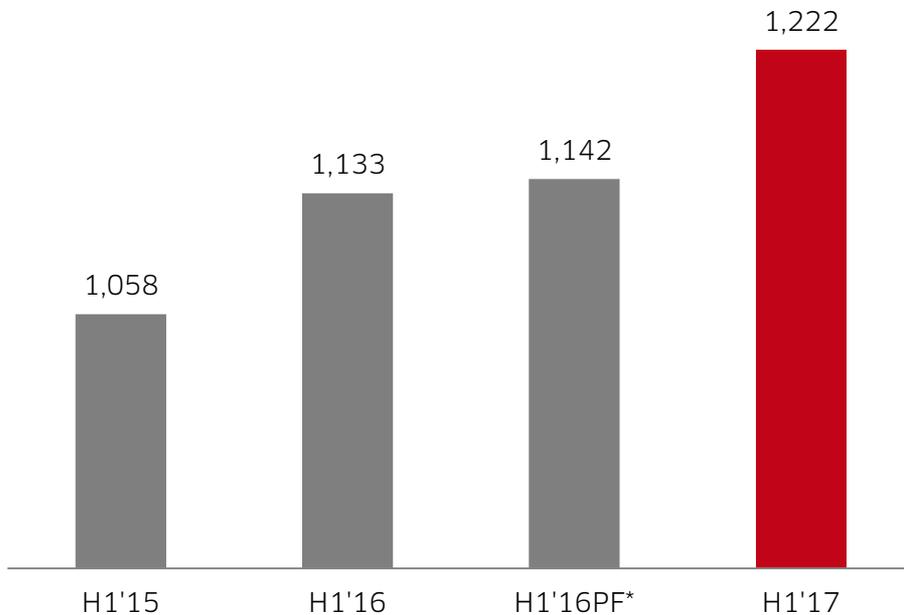
Optimizing our operating model

- **Operational excellence plan**
 - All local managers involved and committed
 - Continuous financial controlling
- **Plan expected to deliver €20-25m costs efficiency***
 - Continuous improvement driven by the new organization
 - Procurement and costs efficiency
- **Operational excellence to be rolled-out over the time**

**on a full-year basis*

H1'17 organic growth / +5%

Revenue (in €M)



Year-on year: +8%

- Organic impact: 5%
- FX impact: €12m

By geography

- Solid growth across most regions
- +6% like-for-like excluding Brazil

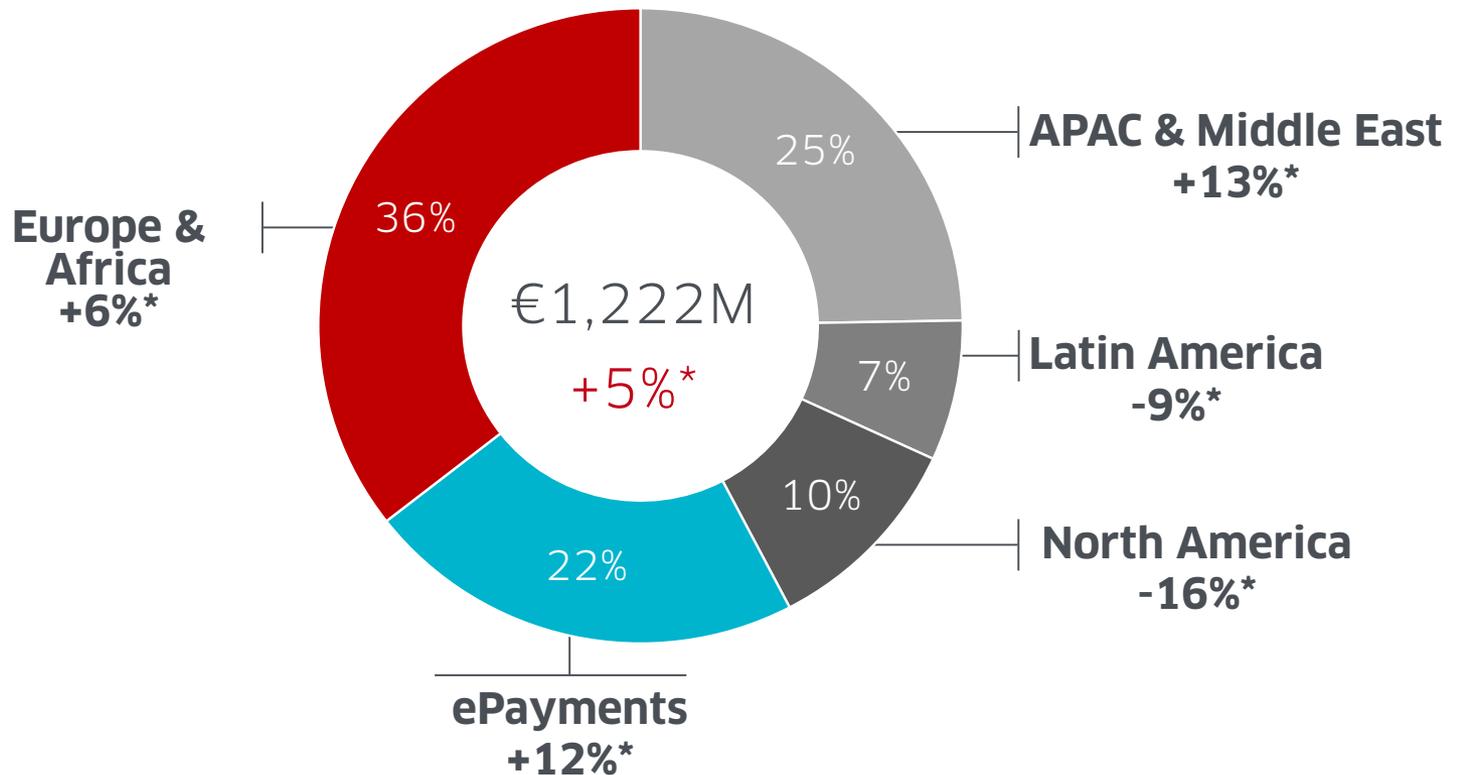
By traditional business segments

- Terminals: +3%
- Payment Services: +11%

By new business segments

- Retail: +3%
- Banks & Acquirers: +7%

H1'17 / revenue by region



*Growth rate at constant FX & scope

Q2'17 organic growth / performance per region

ePayments (+11%*)



Retail:

- Investments enhancing scalability and performance
- Strong ramp up of major ecommerce clients
- Deployment of new features (market place)

North America (+1%*)



B&A:

- Increase in volume orders
- Stabilization of the market

Retail:

- Mobile solutions adoption among large retailers
- Penetration of the Dining segment

Europe & Africa (+4%*)



B&A:

- PCI v1 replacement cycle
- Favorable regulation in Eastern Europe

Retail:

- Strong contribution of omni channel contracts



B&A:

- Uncertainties in Brazil regarding the macro situation
- Strong demand in the other countries
- Tetra in Mexico

Latin America (-1%*)



B&A:

- Strong performance in India and SEA
- Successful launch of the aPOS in China

Retail:

- Turkey is now turning to a more normative level

APAC & Middle-East (+4%*)

*Growth rate at constant FX & scope

H1'17 / preliminary results

In €M	H1'17	H1'16	Changes vs. H1'16
Revenue	1,222	1,133	+8%
Gross Profit	512	490	+4%
<i>In % of revenue</i>	41.9%	43.2%	(130)bpts
EBITDA	244	244	n.s.
<i>In % of revenue</i>	20.0%	21.5%	(150)bpts
EBIT	221	206	7%
<i>In % of revenue</i>	18.1%	18,2%	(10)bpts
Free Cash Flow	69	64	+8%
<i>FCF/EBITDA conversion ratio</i>	28.1%	26.2%	+190bpts

Ongoing investments in platforms



Conclusion

Ingenico, a presence across the whole value chain

• **Bambora, a key milestone in the execution of Ingenico's strategy**

- Expand its own acquiring capabilities on top of existing partnerships in order to enhance the full-service offer
- Step up the approach of the fast growing end-to-end payment solutions market for SMBs in Europe
- Extend the geographical exposure of the online and in-store segments
- Accretive impact on Ingenico's economics from 2018 and beyond

• **Guidance 2017 confirmed**

- Organic growth *: c.7%
- EBITDA margin slightly increasing vs. 2016 (20.6%)



Appendices

H1'17 / gross profit by activity

<i>in €M</i>	Terminals	Payment Services	H1'17
Revenue	832	390	1,222
<i>Like-for-like growth</i>	<i>+3%</i>	<i>+11%</i>	<i>+5%</i>
Adj. Gross profit	385	127	512
<i>In % of revenue</i>	<i>46.3%</i>	<i>32.4%</i>	<i>41.9%</i>

Margins remain strong despite change in geographical mix and platform's investments



INVESTOR RELATIONS

- ✓ Laurent MARIE, VP Investor Relations
(T): +33 1 58 01 92 98 (M): +33 7 84 50 18 90
- ✓ Kevin WORINGER, Investor Relations Manager
(T): +33 1 58 01 85 09 (M): +33 6 02 18 59 08