Innovation as a driving force

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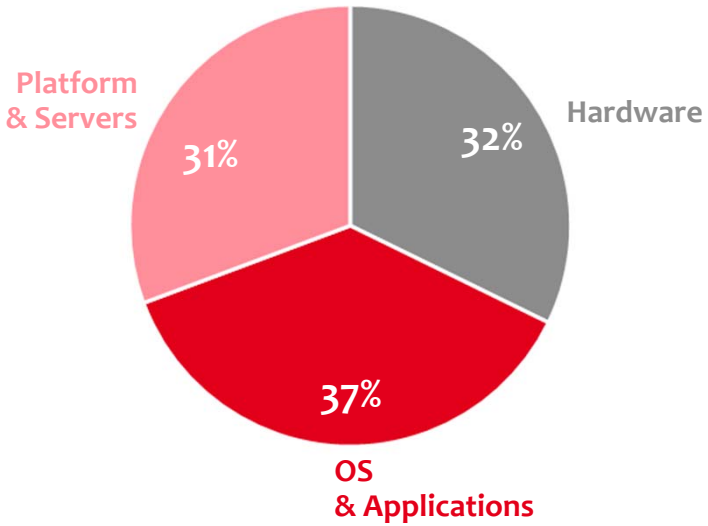
ingenico®

beyond payment

R&D at Ingenico: Key Facts

- 8% of group revenue
- R&D engineers: 25% of group employees
- Broad expertise in development: from hardware to software applications
- 2 new high quality patents every month
- A worldwide network of data centers managing more than 3bn transactions

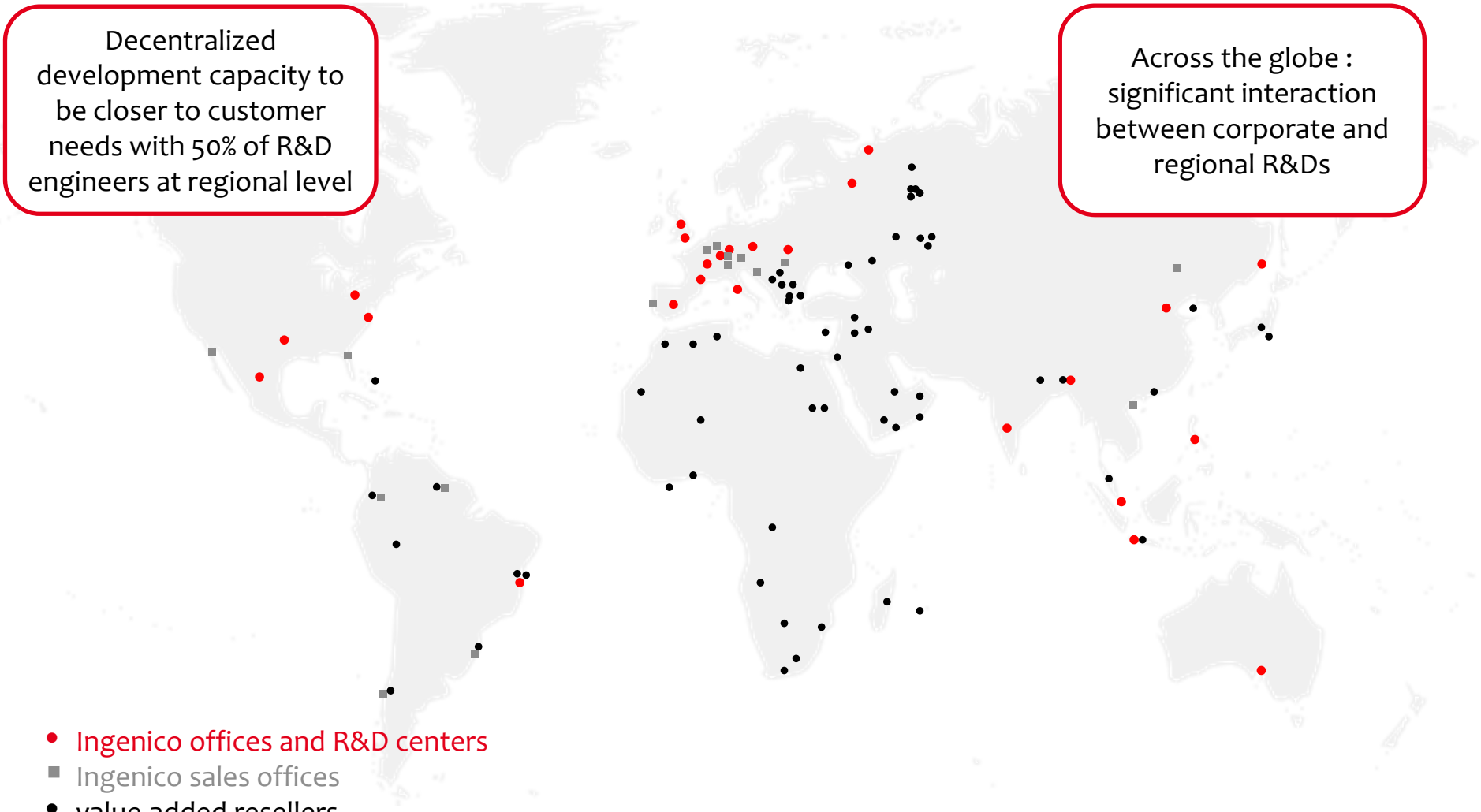
Breakdown of R&D headcount as of December 31, 2012



R&D at Ingenico: a global footprint to better anticipate customers' needs

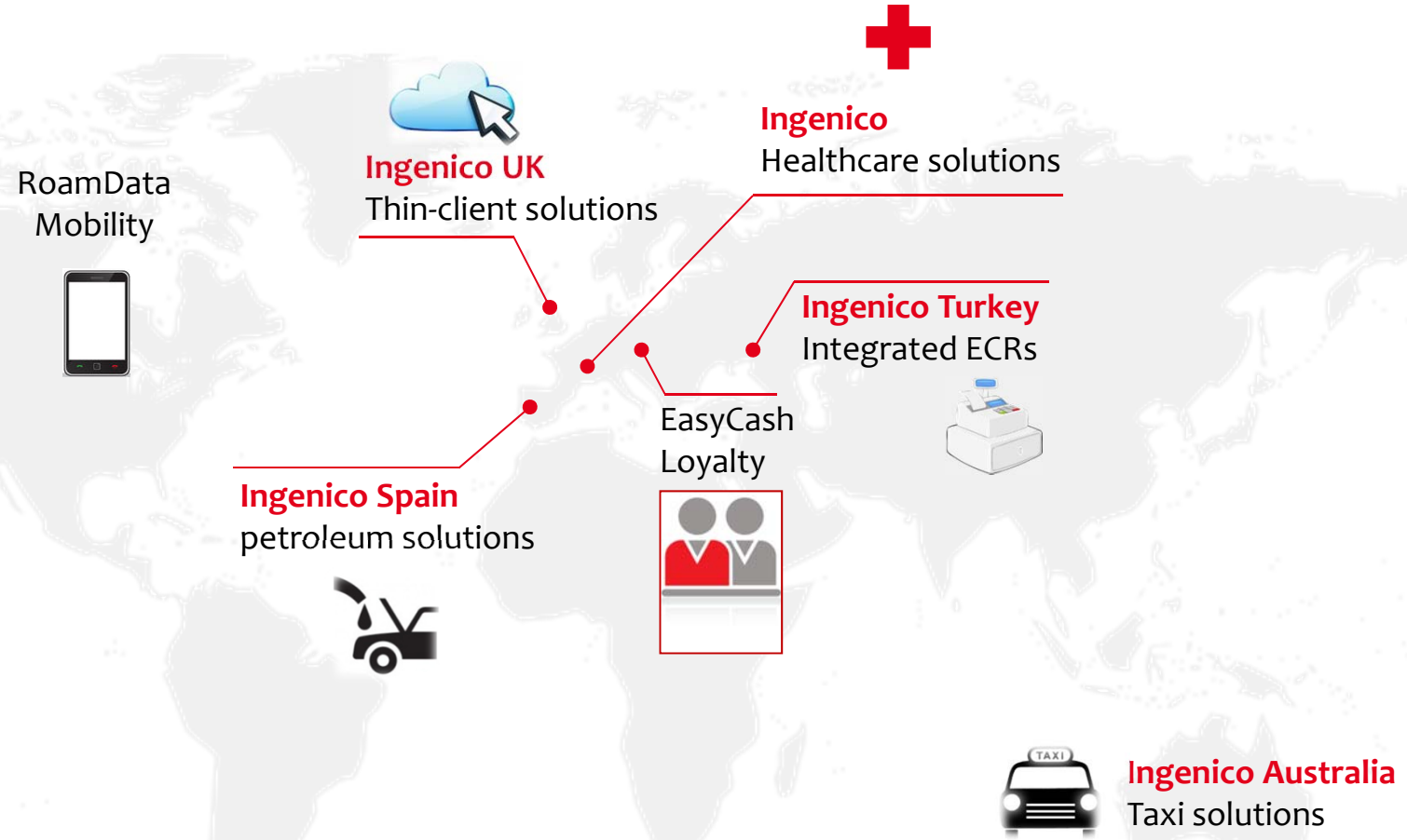
Decentralized development capacity to be closer to customer needs with 50% of R&D engineers at regional level

Across the globe : significant interaction between corporate and regional R&Ds



- Ingenico offices and R&D centers
- Ingenico sales offices
- value-added resellers

Leveraging multi-local presence to deploy innovation in solutions



R&D: a pragmatic approach adapted to a fast moving technological environment

- **In-house research for cutting-edge payment security**
  - Hardware security and cryptography
  - Operating System security
  - Transaction engines
- **Strategic technological partnerships**
  - ATMEL: Secure POS-core ASIC
  - MORPHO: Biometrics
  - Other partners for color touch screen, secure keypads, communication modules
- **Acquisition of technology for better "time-to-market" efficiency**
  - Roam Data
  - Ogone

Our R&D Strategy

- **Create an open and secure environment for transactional models and new value-added services**

- **Focus R&D on 2 essential pillars :**

  1. **Payment Platform: next best-in-class generation Telium 3**
  2. **Services and solutions: multi-channel payment architecture expertise**

Payment Platform: Telium

Successful when hardware evolution accelerated

New communication capabilities (3G, LTN, ADSL), allowing for:

- More data, more content
- New VAS possibilities
- Better interaction with the user

2009

30 years

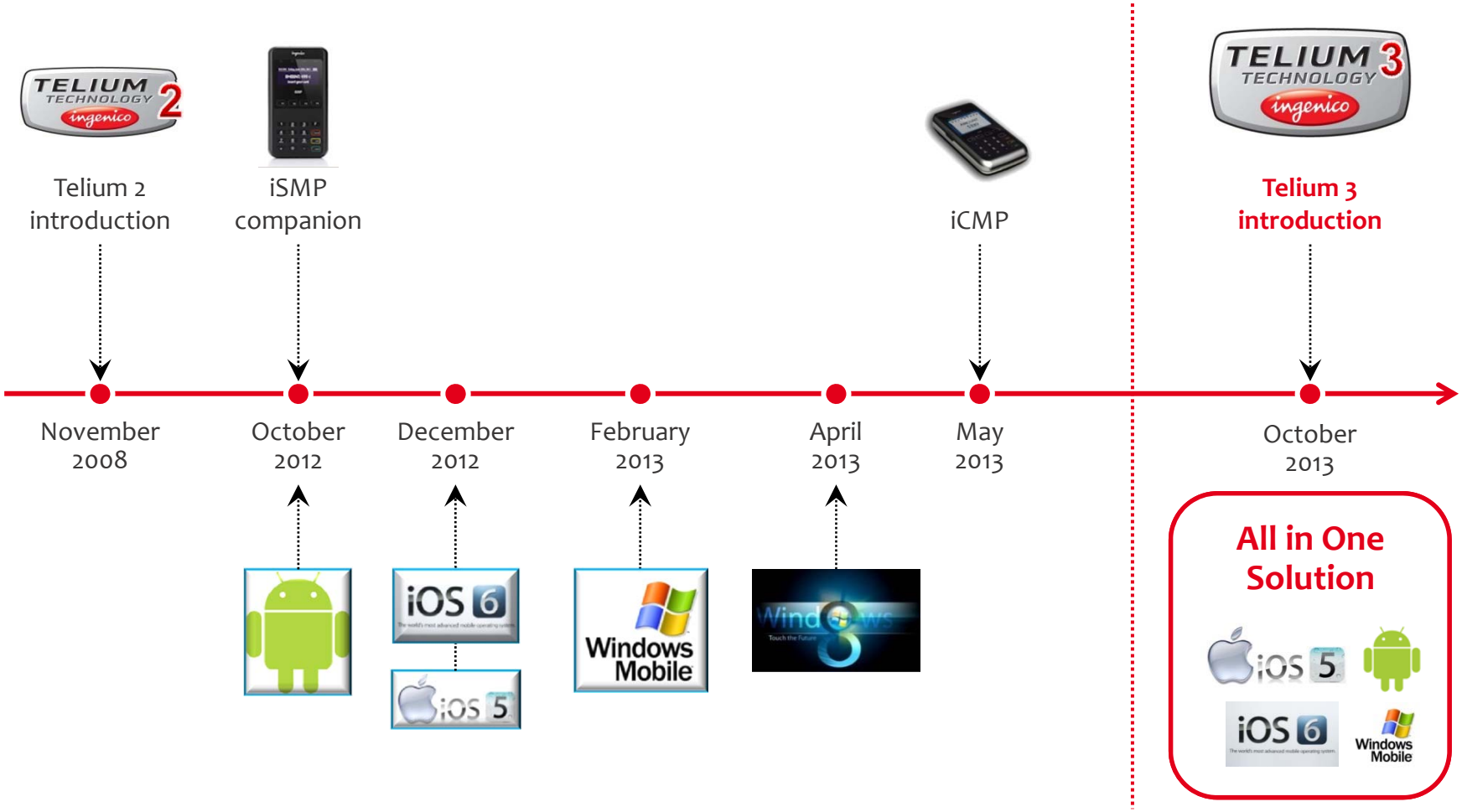
Steady improvement in speed, price and nomadic merchants

4 years

Revolution over the last 4 years: emergence of new form factors

Payment Platform: Telium

Next gen will bring more integration



Payment Platform: Telium 3

Cheaper, faster and more reliable hardware

- **Reduced number of components, more reliable**
- **Smaller products**
- **Reduced weight**
- **Greater autonomy**
- **Increased performance specially for multi media and web services**
- **Better user interfaces**
- **Ready for future security standards**

Payment Platform: Telium 3

Allowing Ingenico's secured payment technology inside new devices

- **Example of Microsoft – Ingenico partnership announced in Jan 2013**
- **Combining business application and secured payment on the same device**

Windows 8

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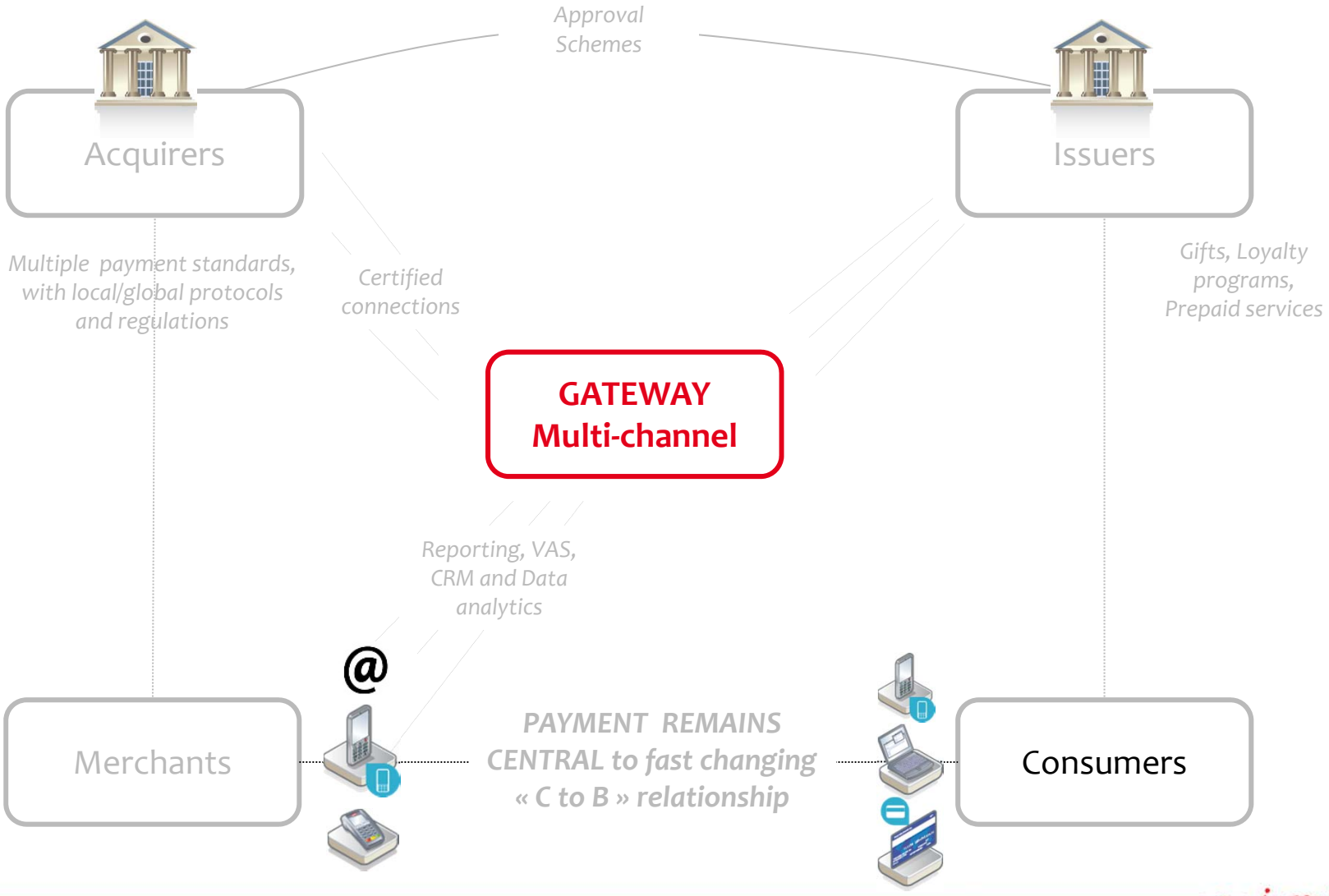
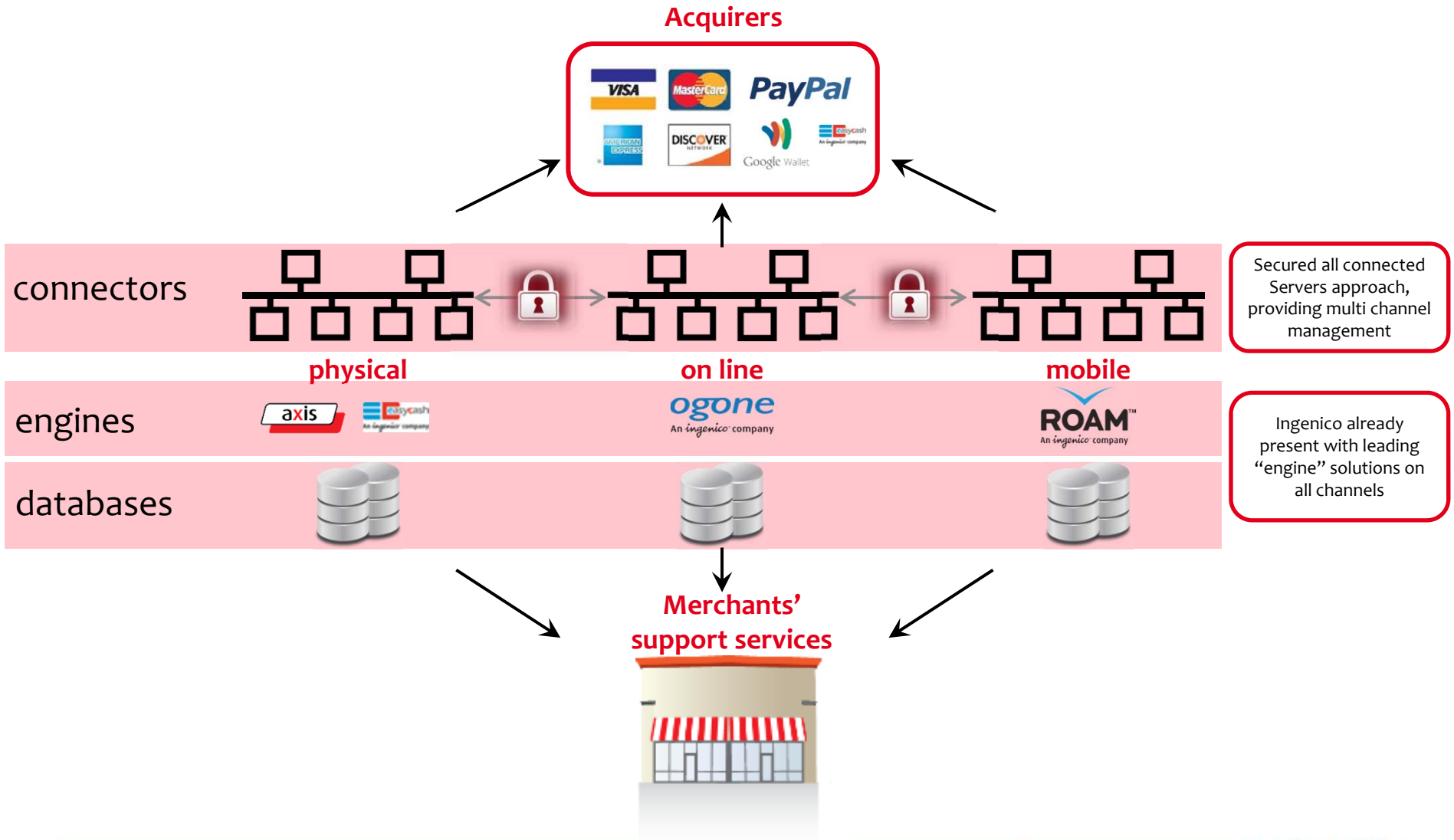
- **Next Gen Payment TV**

Bills, teleshopping, tickets…

Ingenico, the central player thanks to payment expertise and white labelling



Services and solutions: integrate existing bricks to build multi-channel gateway



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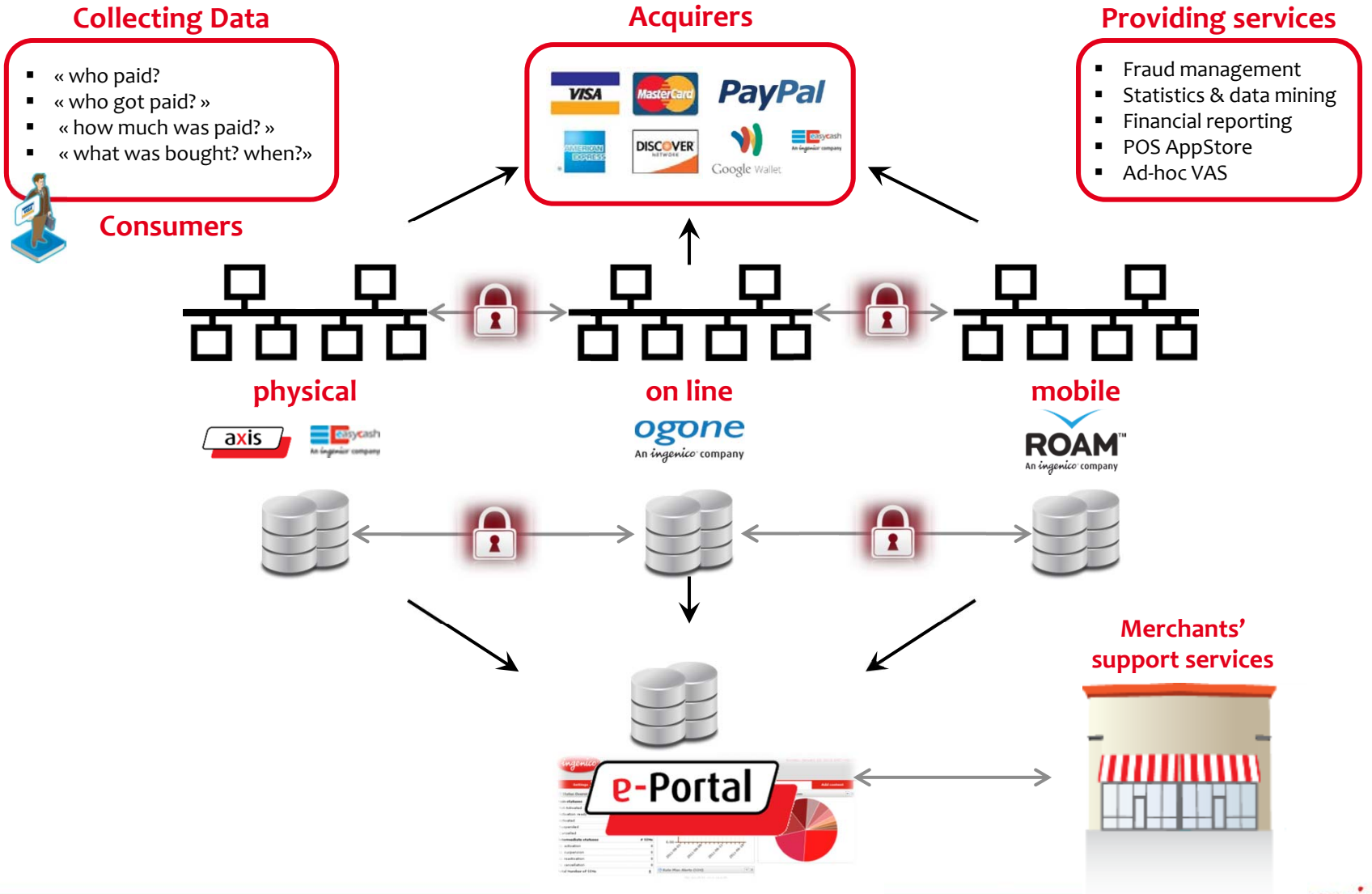

Innovation: a strong and differentiating asset

- **A worldwide footprint and network of talents to better anticipate needs and stay ahead of the tech curve**
- **An opportunistic "make, partner or buy" R&D approach, well suited to a fast moving technological environment**
- **A constant R&D effort on hardware, platforms, applications to accelerate offer for enhanced VAS**
- **A focus on developing robust and simple solutions, customizable to meet all types of customer demand, anywhere**