2015

ingenico GROUP

Registration document including the annual financial report

CONTENTS

2015 Registration **document**

Including the annual financial report

This document is a free translation of the French language reference document that was filed with the Autorité des marchés financiers (the “AMF”) on 23 March 2016.

It has not been approved by the AMF. This translation has been prepared solely for the information and convenience of English-speaking readers.

No assurances are given as to the accuracy or completeness of this translation, and INGENICO GROUP assumes no responsibility with respect to this translation or any misstatement or omission that may be contained therein. In the event of any ambiguity or discrepancy between this translation and the French reference document, the French reference document shall prevail.

In accordance with the General Regulations of the Autorité des marchés financiers, notably Article 212-13, the French language version of this document was filed with the Autorité des marchés financiers on 23 March 2016.

This document may only be used in connection with a financial transaction if it is part of a prospectus which has received the visa of the Autorité des marchés financiers. This document has been prepared by the issuer under the responsibility of its signatories.

This document is available on the Ingenico Group internet website: www.ingenico.com.

General notes

In this Registration Document:

- the terms "Ingenico Group SA" and "Company" refer to Ingenico Group SA, whose shares are admitted to trading on the Euronext Paris stock market; and
- the terms "Group" and "Ingenico Group" refer to the group consisting of Ingenico Group SA and all subsidiaries and associates held directly or indirectly by Ingenico Group SA.

This Registration Document includes statements about the Group's objectives and outlook. These statements are sometimes identified by the use of the future or conditional tense and forward-looking terms such as "think", "aim", "expect", "intend", "should", "aspire", "estimate", "believe", "hope", "could", etc. Such information is based on data, assumptions and estimates considered reasonable by the Group. They may change or be modified due to uncertainties related to changes in the economic, financial, competitive and regulatory landscape. In addition, the materialization of some risks described in Chapter 1 of this Registration Document is likely to have an impact on the Group's business and its ability to meet its objectives. Furthermore, the achievement of the stated objectives is dependent on the success of the strategy presented in Chapter 1 of this Registration Document.

The Group makes no undertaking nor does it offer any guarantee that the objectives presented in this Registration Document will be achieved.

The forward-looking statements and objectives presented in this Registration Document may be affected by known and unknown risks, uncertainties and other factors that could result in a material difference between the Group's future results, performances and achievements and the stated or implied objectives. These factors may include changes in economic conditions, the business climate, regulations, as well as those described in Chapter 1 of this Registration Document.

Investors are advised to carefully consider the risk factors described in Chapter 1 of this Registration Document. The realization of any or all of these risks may have a negative effect on the Group's business, position, financial results, and objectives. In addition, other risks not yet identified or which are considered immaterial by the Group could have the same negative effect.

This Registration Document also contains information on the markets in which the Group operates. The information comes mainly from public records and studies undertaken by external sources and may prove to be incorrect or out of date. Consequently, the Group's business could develop in a different manner to that described in this Registration Document.

PROFILE

Ingenico Group is accelerating its transformation and taking on new ambitions

In recent years, Ingenico Group has dramatically transformed itself to keep pace with the ever-changing world of commerce. In 2015, we took another big step in this transformation: we reinvented our line of terminals, and now offer our customers in-store solutions that, beyond secure payment, integrate high value-added services for merchants and their customers. The Group now has a full range of products and services, from terminals to online and cross-channel payment services. Ingenico ePayments, the brand launched in January 2016, confirms our presence and highlights our greater ambitions in the global online payment market.

ingenico GROUP

ingenico Smart terminals

ingenico Payment services

ingenico ePayments

"In 2015, Ingenico Group posted excellent operating and financial results, allowing it to achieve its medium-term targets a year ahead of time. The Group's growth was sustained in particular by the outstanding development of our business in North America and emerging markets. Furthermore, the roll out of our cross-border and cross-channel solutions, together with the expansion of the Ingenico ePayments offer, is bringing us closer to our goal of becoming the benchmark player for omni-channel payment services."

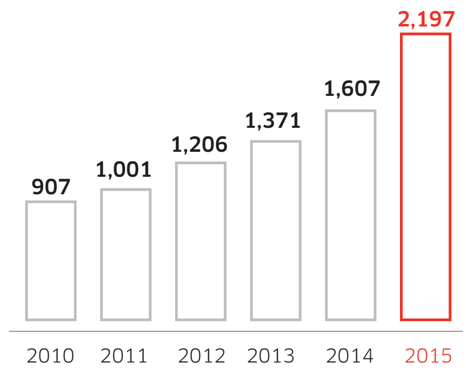
PHILIPPE LAZARE,
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

KEY FIGURES

In 2015, the Group posted excellent operational and financial performances which enabled it to achieve its medium-term objectives one year early.

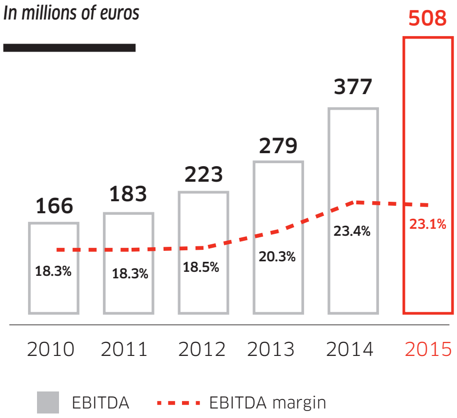
Revenue evolution

In millions of euros



EBITDA*

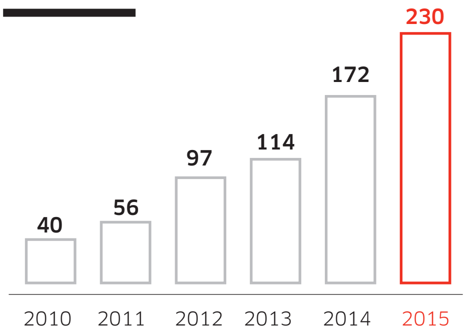
In millions of euros



* *As defined on page 116 of this Registration Document.*

Net profit, attribuable to shareholders

In millions of euros



View all of our key figures at **www.ingenico.com/finance/keyfigures**

2015 Revenue

€2,197M

EBITDA

€508M

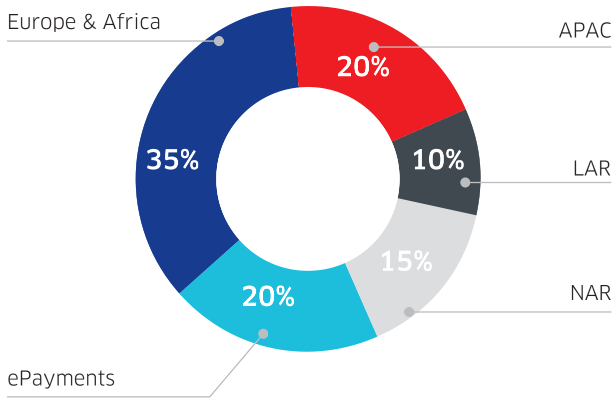
Net Profit

€230M

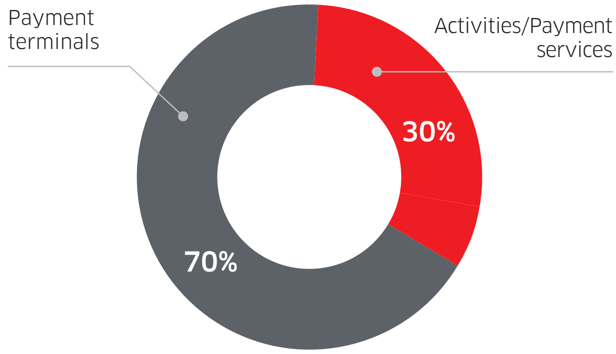
Free cash flow

€285M

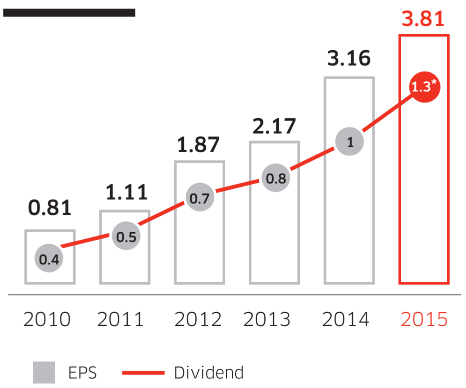
Revenue
By region



Revenue
By activity

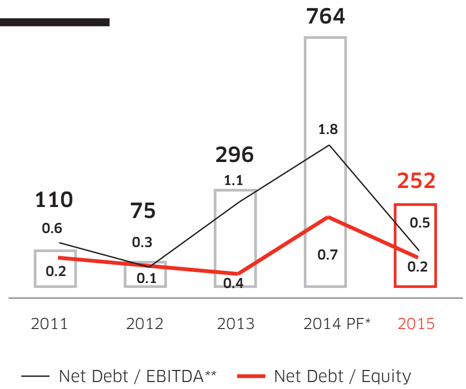


Net profit and dividend per share
In euros



* Dividend proposed at the AGM of 29 April 2016.

Net debt
In millions of euros



* Including GlobalCollect's contribution over the entire year.
** As defined on page 116 of this Registration Document.

INGENICO GROUP IN THE WORLD IN 2015

5 continents

170 countries

88 sites

With a commercial presence in over 170 countries, Ingenico Group owes its success to its international reach and its ability to propose to its customers a wide range of solutions and services tailored to their regions.

35%

EUROPE & AFRICA

+5%*

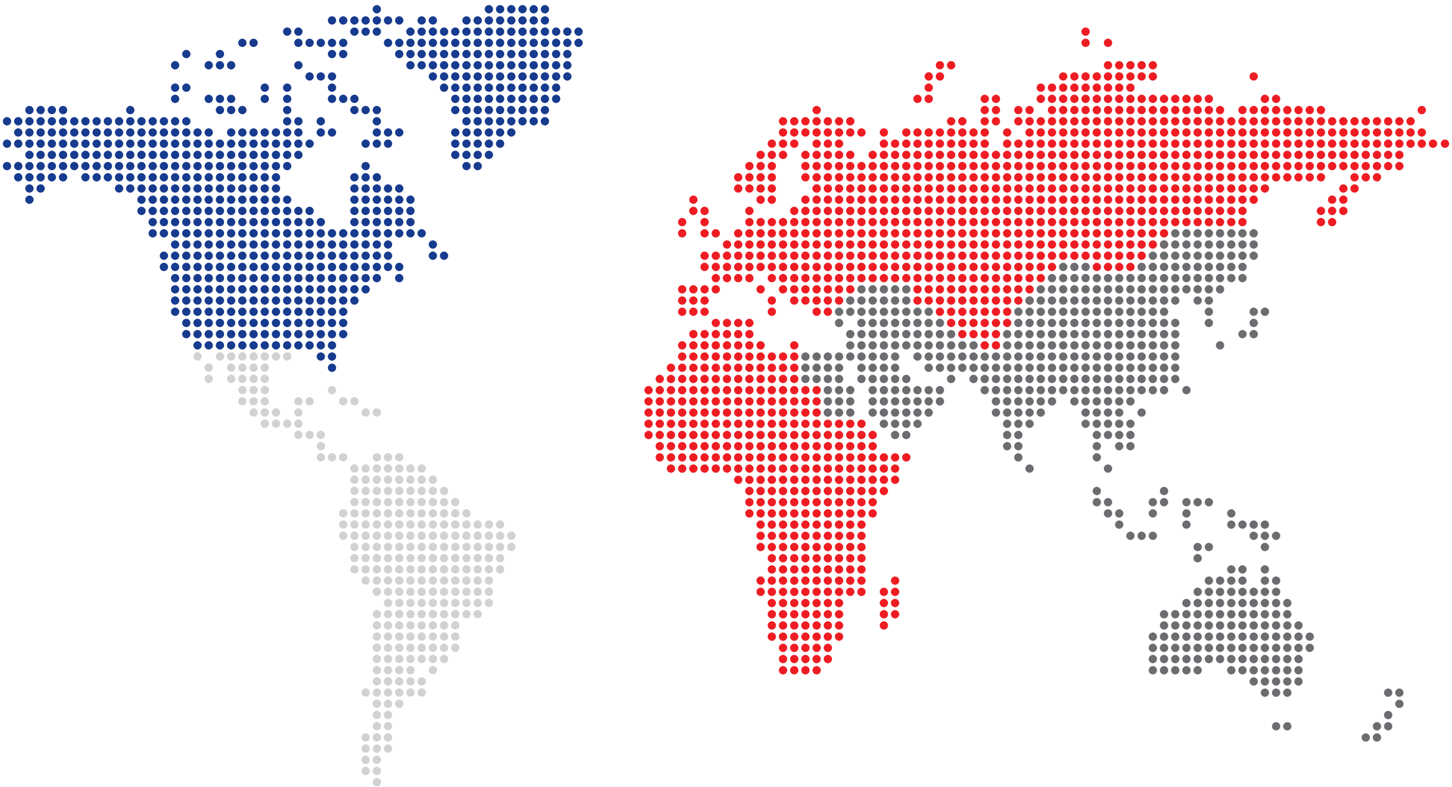
- Strong momentum in mature and emerging markets.
- Accelerated deployment of in-store and cross-channel services.

20%

ASIA PACIFIC & MIDDLE EAST

+19%*

- No. 1 in China: market driven by the retail sector.
- Strong results in India and Turkey.



10%

LATIN AMERICA

+24%*

- Fast-paced terminal sales in Brazil thanks to stronger commercial relationships with buyers and an innovative range that is tailored to the market.
- Expansion in Chile, Peru and Colombia.

15%

NORTH AMERICA

+44%*

- Accelerating growth.
- The United States is now the Group's No. 1 market, buoyed by the faster pace of EMV migration and the roll out of NFC.

20%

ePayments

+7%*

- Major operational advances: integration of Ogone and GlobalCollect, new product development and launch of a dedicated brand: Ingenico ePayments.

* *Growth rate in 2015 at a constant exchange rate and like-for-like basis.*

HISTORY OF THE GROUP

In 35 years, through a strategy combining geographical expansion, acquisitions, and product development, Ingenico Group has established itself as the world leader in payment solutions.

1980

FOUNDING OF **INGENICO**

Founding by Jean-Jacques Poutrel and Michel Malhouitre of a company specialized in the development and manufacture of card-based payment terminals.

1984

LAUNCH OF THE **FIRST MAGNETIC STRIPE AND CHIP SMART TERMINAL**

1985

STOCK MARKET LISTING

Listing on the Second Market of the Paris Stock Exchange.

1987 2001

INTERNATIONAL GROWTH AND **EXPANSION**

1987: Incorporation of Ingenico International Pacific Pty Ltd (Australia).

1994: Major card issuers such as Visa, MasterCard and Europay adopt a chip payment card standard, accelerating Ingenico's growth.

1996: Acquisition of Epos in Germany.

1999: Acquisition of the terminals business of the De La Rue and Bull groups.

2001: Acquisition of IVI Checkmate Corp. in the United States.

2006

THE BUSINESS **UNDERGOES TRANSFORMATION**

Outsourcing of terminal manufacturing.

Acquisition of Moneyline, a company providing centralized transaction solutions in France.

2007

THE GROUP CONFIRMS ITS RETURN TO **PROFITABILITY**

Acquisition of the Turkish companies Planet Ödeme and Planet Electronik.

2008

CONSOLIDATION OF **WORLD LEADERSHIP** IN PAYMENT TERMINALS

Acquisition of the payment terminal business of Sagem Sécurité (Sagem Monétel).

Stake acquired in Fujian Landi, China's second-largest terminals supplier.

Launch of a full range of international, cross-border, terminal-based services.

2009

A CHANGING GROUP **PROFILE**

Acquisition of easycash (now Ingenico Payment Services), the payment services leader in Germany.

Launch of the new range of Telium 2 terminals.

2010

IMPLEMENTATION OF THE **2010-2013** STRATEGIC PLAN

Integration of easycash (now Ingenico Payment Services).

Implementation of the value-added services strategy through various acquisitions.

Ramp-up of the new range of terminals using the Telium 2 platform.

2011

> 1

CONFIRMATION OF THE **SHIFT IN** GROUP PROFILE

Achievement of milestone of €1 billion in consolidated revenue.

31% of revenue derived from maintenance, services and transaction servicing.

2012

FULL SPEED AHEAD

Confirmation of the company's position as world leader in the payment terminals market, with double-digit growth in this segment.

Accelerated investment in the United States and the mobile payment sector with the takeover of Roam Data.

Partnerships with new players in the payment ecosystem (PayPal and Microsoft).

Expansion of the commercial network (acquisition of Arcom in Russia and PT Integra in Indonesia).

2013

FIRST-YEAR IMPLEMENTATION OF THE 2013-2016 **STRATEGIC PLAN**

Acquisition of Ogone, the European leader in online payment services.

Double-digit growth and increased profitability.

Acceleration of roll-out of multichannel services.

2014

TRANSFORMATION IN PROGRESS

Ingenico becomes Ingenico Group, establishing three commercial brands to embody its transformation.

Acquisition of GlobalCollect, world leader in full service online payment solutions.

Launch of Telium Tetra, a comprehensive, seamless new payment solution for in-store sales.

2015

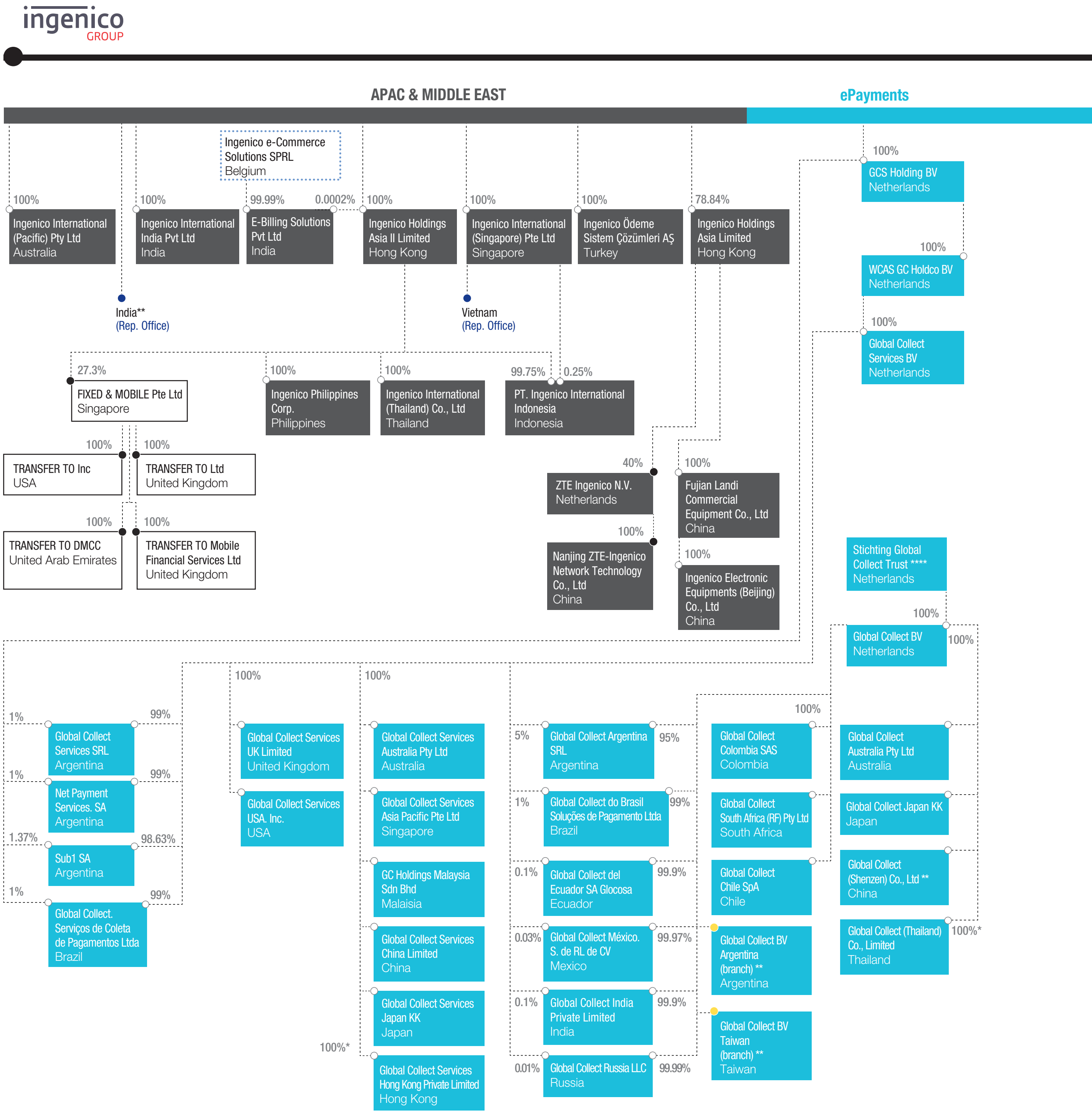
ACCELERATING THE **TRANSFORMATION**

Creation of the Ingenico ePayments brand combining the GlobalCollect and Ogone offerings.

Accelerated roll-out of cross-channel and cross-border services.

Achievement of milestone of €2 billion in annual revenue.

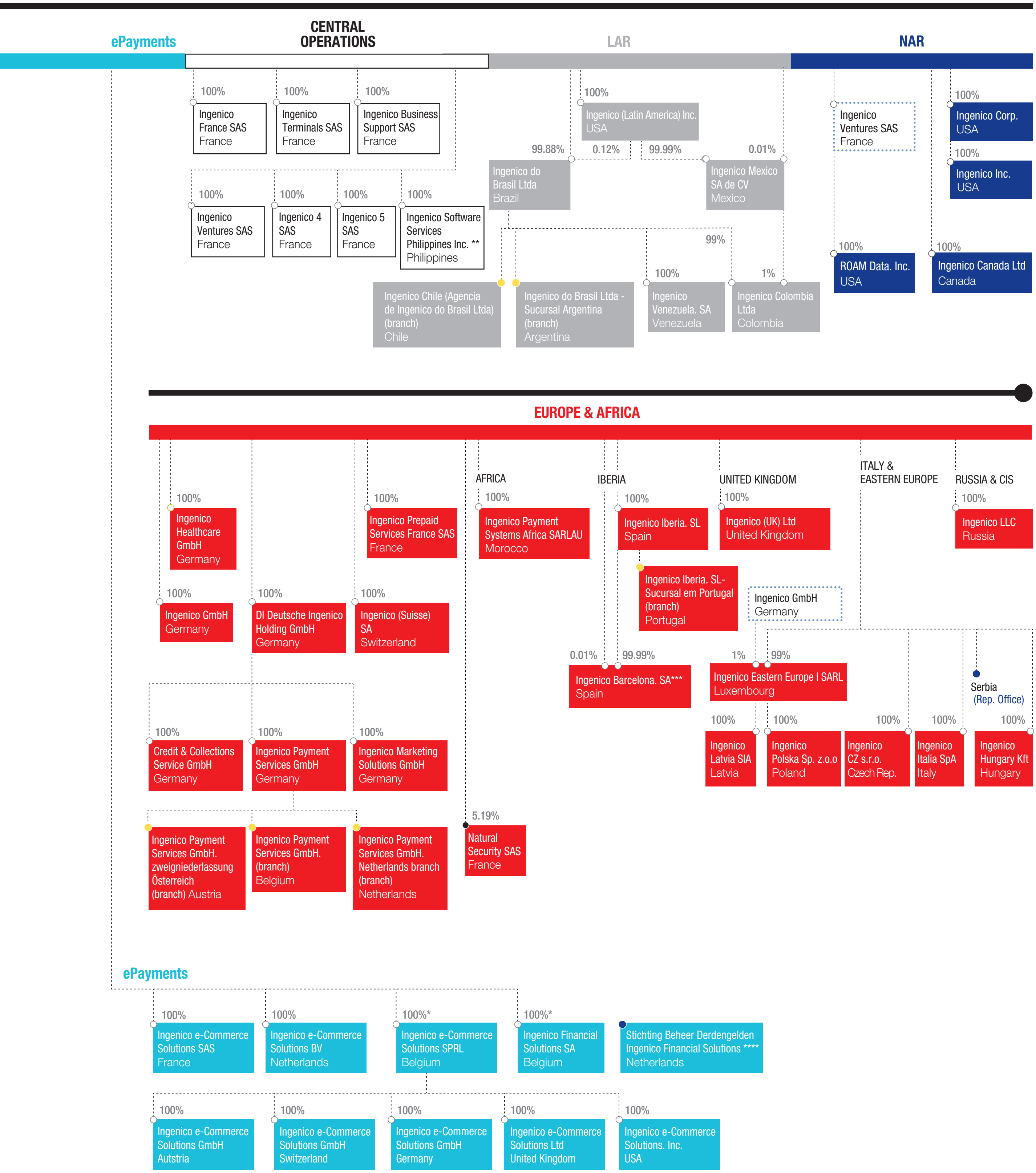
ORGANIZATIONAL CHART
(as at December 31, 2015)



- Equity interest
- Branch
- Representation Office
- Shareholder outside region

- NAR - North America Region
- LAR - Latin America Region
- APAC & Middle East - Asia-Pacific, Australia, China, Japan, Turkey & Middle East
- Europe & Africa - Europe, Russia-CIS, Africa
- ePayments - e-Commerce Solutions and GlobalCollect
- Central Operations

Including indirect equity interest or partners.
** *In the process of liquidation or winding-up.*
*** *Dormant.*
***** *A stichting is a Dutch foundation used for separate management of merchants funds. It has no shareholders and is controlled by Ingenico through its board of directors.*



ePayments
CENTRAL OPERATIONS
LAR
NAR
100%
Ingenico France SAS France
100%
Ingenico Terminals SAS France
100%
Ingenico Business Support SAS France
100%
Ingenico Ventures SAS France
100%
Ingenico 4 SAS France
100%
Ingenico 5 SAS France
100%
Ingenico Software Services Philippines Inc. ** Philippines
100%
Ingenico (Latin America) Inc. USA
99.88%
0.12%
99.99%
0.01%
Ingenico do Brasil Ltda Brazil
Ingenico Mexico SA de CV Mexico
99%
100%
1%
Ingenico Chile (Agencia de Ingenico do Brasil Ltda) (branch) Chile
Ingenico do Brasil Ltda - Sucursal Argentina (branch) Argentina
Ingenico Venezuela. SA Venezuela
Ingenico Colombia Ltda Colombia
Ingenico Ventures SAS France
100%
Ingenico Corp. USA
100%
Ingenico Inc. USA
100%
ROAM Data. Inc. USA
100%
Ingenico Canada Ltd Canada
EUROPE & AFRICA
100%
Ingenico Healthcare GmbH Germany
100%
Ingenico Prepaid Services France SAS France
AFRICA
100%
Ingenico Payment Systems Africa SARLAU Morocco
IBERIA
100%
Ingenico Iberia. SL Spain
UNITED KINGDOM
100%
Ingenico (UK) Ltd United Kingdom
ITALY & EASTERN EUROPE
RUSSIA & CIS
100%
Ingenico LLC Russia
100%
Ingenico GmbH Germany
100%
DI Deutsche Ingenico Holding GmbH Germany
100%
Ingenico (Suisse) SA Switzerland
Ingenico Iberia. SL- Sucursal em Portugal (branch) Portugal
Ingenico GmbH Germany
0.01%
99.99%
Ingenico Barcelona. SA*** Spain
1%
99%
Ingenico Eastern Europe I SARL Luxembourg
Serbia (Rep. Office)
100%
Credit & Collections Service GmbH Germany
100%
Ingenico Payment Services GmbH Germany
100%
Ingenico Marketing Solutions GmbH Germany
100%
Ingenico Latvia SIA Latvia
100%
Ingenico Polska Sp. z.o.o Poland
100%
Ingenico CZ s.r.o. Czech Rep.
100%
Ingenico Italia SpA Italy
100%
Ingenico Hungary Kft Hungary
5.19%
Natural Security SAS France
Ingenico Payment Services GmbH. zweigniederlassung Österreich (branch) Austria
Ingenico Payment Services GmbH. (branch) Belgium
Ingenico Payment Services GmbH. Netherlands branch (branch) Netherlands
ePayments
100%
Ingenico e-Commerce Solutions SAS France
100%
Ingenico e-Commerce Solutions BV Netherlands
100%*
Ingenico e-Commerce Solutions SPRL Belgium
100%*
Ingenico Financial Solutions SA Belgium
Stichting Beheer Derdengelden Ingenico Financial Solutions **** Netherlands
100%
Ingenico e-Commerce Solutions GmbH Autstria
100%
Ingenico e-Commerce Solutions GmbH Switzerland
100%
Ingenico e-Commerce Solutions GmbH Germany
100%
Ingenico e-Commerce Solutions Ltd United Kingdom
100%
Ingenico e-Commerce Solutions. Inc. USA

1 PRESENTATION OF THE GROUP

1.1 Activity & strategy

1.1.1 Ingenico Group, global leader in seamless payment services

Founded in 1980 by Jean-Jacques Poutrel and Michel Malhouitre, the key to Ingenico Group's success and strong market position has traditionally been its core business of equipping merchants with secure, in-store payment solutions.

Following the merger with Sagem Monetel in March 2008 and entering the Chinese market with the acquisition of Landi in June 2008, Ingenico Group became the leader in the payment terminals market, which is estimated to be worth €3 billion worldwide. Since then, the Group has continued to expand the geographical presence of its traditional business by expanding its commercial network, in particular through acquisitions of distributors in emerging markets such as Indonesia and Russia.

In 2008, the Group decided to build on its market-leading position and address merchants' changing needs by expanding its offering, in order to cover the whole of the payment value chain, irrespective of the sales channel. Ingenico Group began laying the groundwork for this expansion by acquiring easycash, a leading German in-store payment services provider. Then, in 2012, the Group strengthened its position in mPOS solutions through the takeover of ROAM Data. Finally, with the 2013 acquisition of Ogone, the European leader in online payment services, followed in 2014 by that of GlobalCollect, the world leader in fully integrated online payment services, the Group accelerated the transformation of its business model towards services on a global scale, simplifying payment for merchants across all channels: in-store, online and mobile.

Today, the Group, global leader in seamless payment services, boasts a network of over 1,000 banks and acquirers, a presence in 170 countries, acceptance of more than 300 payment methods, with more than 250,000 merchants connected to its platforms.

Thanks to its neutral approach, the Group continues to demonstrate its strong position in the secure merchant payment services industry, in particular through partnerships concluded with PayPal in the United States (2012), as well as technology partnerships with Microsoft (2013), Samsung (2014) and Google (2015).

Ingenico Group focuses its offering around three main commercial brands: Ingenico Smart Terminals, Ingenico Payment Services and Ingenico ePayments, which launched in January 2016.

1.1.2 A global presence

1.1.2.1 Multi-local solutions

Payment processes are based on national protocols as well as variable local parameters such as the "banked" percentage of the population, the quality of telecommunications infrastructure, the number and type of credit and debit cards in circulation, growth of chain-store retail, etc. It is therefore essential for the Group to develop a standard, generic offering that can be tailored to national specificities.

Accordingly, Ingenico Group has a strong presence throughout the world, across five continents and in 170 countries. This multi-local approach is a major differentiating factor: it allows the Group to work very closely with an extensive network of local partners, providing the most appropriate expertise, solutions and services for their markets.

Finally, this international expertise enables the Group to support its customers in implementing cross-border solutions, by leveraging its global management systems.

1.1.2.2 A global organization and a strong regional presence

At the end of 2015, Ingenico Group employed around 6,000 people worldwide, an 8% increase compared to 2014.

The Group has established an organizational structure that reflects the changes in its scope of business:

- Ingenico Labs to drive innovation forward at Group level;
- Smart Terminals, the global division specializing in payment services and solutions focused on terminals;
- ePayments, the global division dedicated to online payment services and solutions;
- Technology & Platforms, the global division that develops and operates the Group's payment platforms;
- Four geographical regions responsible for tailoring the offer to the needs of local customers and enabling the global divisions to understand and anticipate these needs;
  - North America,
  - Latin America,
  - Asia-Pacific & Middle East,
  - Europe & Africa.

Group management is organized around an Executive Committee.

Executive Committee

The Executive Committee brings together the heads of the regional and functional entities of Ingenico Group. It is responsible for executing the strategy defined by the Board of Directors and ensuring effective communication and interaction between all Group entities. As at the date of the filing of this Registration Document, it consists of the following 11 members:

- Philippe Lazare, Chairman and Chief Executive Officer;
- Jose Luis Arias, Executive Vice-President South America;
- Jacques Behr, Executive Vice-President Europe & Africa;
- Oscar Bello, Executive Vice-President North America;
- Martine Birot, Executive Vice-President Human Resources & Communications;
- Thierry Denis, Advisor to the General Management;
- Jacques Guérin, Executive Vice-President Terminals & Mobile Solutions;
- Michel Léger, Executive Vice-President Innovation;
- Patrice Le Marre, Executive Vice-President Asia-Pacific & Middle East;
- Nathalie Lomon, Executive Vice-President Finance and Business Performance;
- Pierre-Antoine Vacheron, Executive Vice-President ePayments.

1.1.2.3 Outsourced production

Since 2006, Ingenico Group's business has been based on a "fabless" model, with the manufacturing of terminals fully outsourced (except for the Chinese market) to top-tier industry partners: the Group works with two of the world's five largest electronic sub-assembly subcontractors, Flextronics and Jabil. The Group regularly and rigorously audits the plants and includes social data in its audit process.

Ingenico Group is constantly striving to streamline its manufacturing process: today most plants are located in Asia (global market) and Brazil (Brazilian market). This manufacturing flexibility enables the Group to increase or decrease production to meet demand and to ensure an effective procurement policy.

1.1.3 A trusted partner for established businesses and newcomers

1.1.3.1 Customers: from small merchants to major brands

Today, the business landscape is changing radically, with the rapid growth of mobile devices and e-commerce. Ingenico Group supports merchants, directly for large-scale retailers, or indirectly through acquirers, financial institutions or intermediaries for small or medium-sized merchants, by enabling their customers to pay using today or tomorrow's technologies. With over 250,000 merchants connected to its platforms (in-store, online and mobile), Ingenico Group optimizes payment services for all merchants, whatever their challenges.

The financial institution / acquirer market

Acquirers are companies that manage payment service contracts with merchants: banks, electronic transaction management companies working on behalf of banks, telephone operators, processors, and solutions distributors.

Ingenico Group's offering allows them to offer merchants secure payment solutions and services. The Group also provides white-label solutions to help customers, such as Barclaycard and BNP Paribas, to deploy mobile and online payment services for small merchants.

The Group works with major financial institutions with an acceptance network of more than 1,000 acquirers.

Some of the world's biggest banks, including Barclays, Crédit Agricole, Crédit Mutuel, Bank of China, Garanti Bank and Bank of America, place their trust in Ingenico Group. Ingenico Group also works with major acquirers such as Cielo, Redecard, Elavon, First Data, etc.

The retail market

The retail market is undergoing a major transformation. The customer relationship is evolving rapidly: consumers are now well-informed and seek the best product, at the best price, with the most comprehensive service package available. At the same time, the diversification of sales channels (in-store, eCommerce, mobile platform, connected commerce) creates new opportunities for retailers, who are reinventing the shopping experience and enhancing their brand promise.

Ingenico Group is leveraging its strong historical position in the payment terminals market, which it has expanded to incorporate in-store, online and mobile payment services, to provide merchants with innovative, secure and seamless solutions to meet the needs of a new generation of consumers.

The Group partners with many of the world's largest retailers and major multi-site brands, and counts Ikea, Walmart, Starbucks, Home Depot, Best Buy, Fnac, Coles, McDonalds, Burger King, Crate & Barrel, Staples, and Picard among its customers.

Vertical markets

The Group also directly or indirectly serves many other vertical market segments, with dedicated solutions to meet their specific needs:

- transportation: travel agencies, ticketing kiosks, car parks, etc.;
- petroleum: self-service pumps and stores at service stations;
- digital: digital products and services (music, cinema, social networks, etc.);
- hotels and restaurants;
- automated distribution.

1.1.3.2 Neutral and agnostic, an asset with new entrants into the payment ecosystem

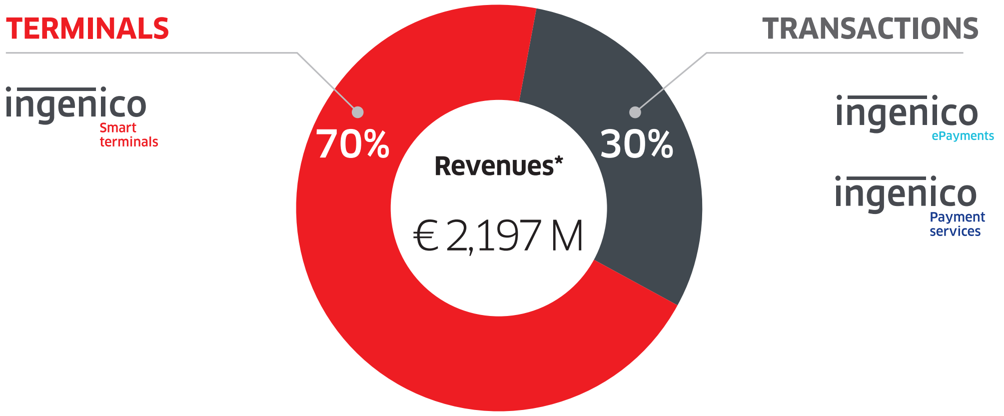
Ingenico Group positions itself in the center of the merchant-consumer relationship as a facilitator for the development of payment solutions, building new sources of revenue for merchants, while also ensuring a personalized, seamless and differentiated customer experience.

By establishing partnerships with newcomers to the payment services market, Ingenico Group demonstrates its ability to develop cutting-edge innovations and new payment methods. The most innovative companies, including Apple, Google, PayPal, Samsung and Intel, work in partnership with Ingenico Group to design and develop new and ever more ground-breaking customer experiences by leveraging the Group's vast acceptance network.

1.1.4 A comprehensive payment services offering across all channels

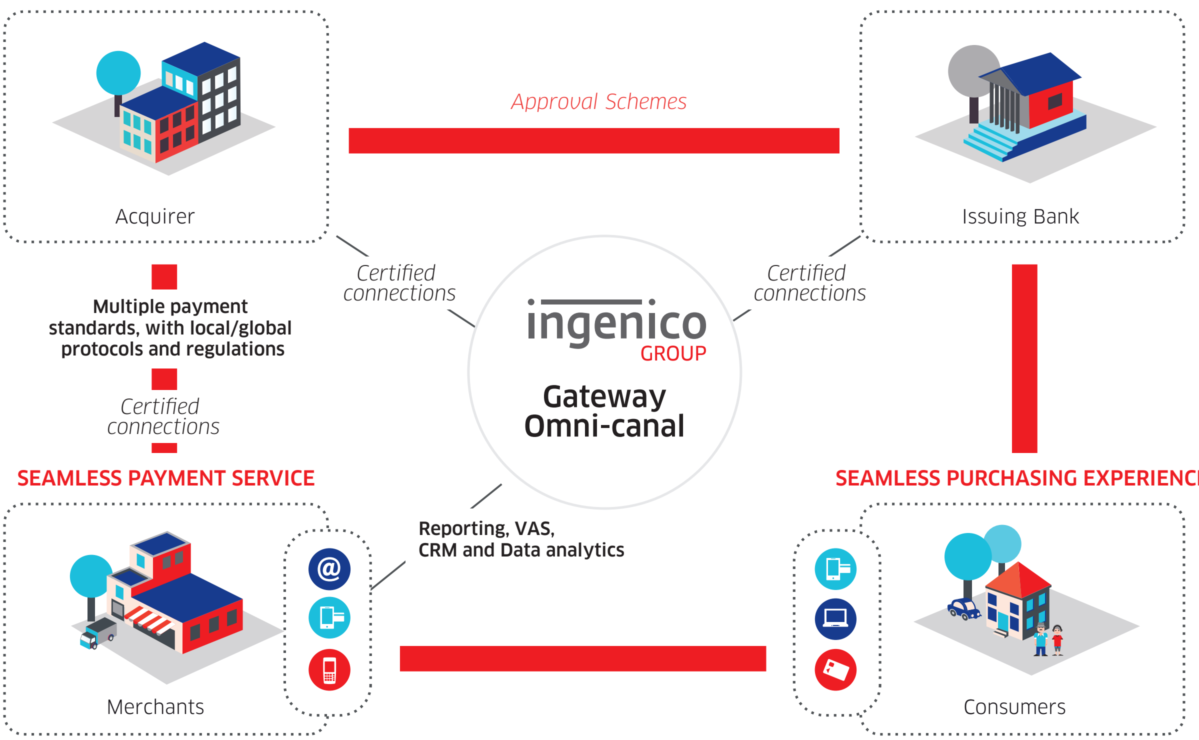
At a time when consumers are constantly switching between channels in order to find the right product at the right price, merchants need flexible payment services to offer the best purchase experience. Payment channels are becoming increasingly interconnected and complex and, as a result, require new expertise. The payment environment is therefore also becoming more complex, with more methods of payment and points of interaction between merchants and consumers (in-store, online, mobile).

In this complex ecosystem, the Group's combined expertise in payment terminals (Ingenico Smart Terminals), management of in-store transactions (Ingenico Payment Services), and online payment services (Ingenico ePayments), allows it to provide a global and comprehensive offering – a key differentiating factor.



** of which 20% of Group revenue of ePayments.*

Ingenico Group / at the centre of the payment process



1.1.4.1 In-store

Ingenico Group offers banks, merchants and payment service providers comprehensive, centralized and secure management of their electronic payment terminals and transactions so they can optimize payment system operating costs, efficiently manage payment flows, address ever-tightening security requirements and generate new revenue streams. The Group is responsible for the end-to-end security, control and surveillance of the entire payment process.

Ingenico Group therefore promotes centralized transaction flow management to ensure optimal service quality and integrity from payment terminal to acquirer.

A pioneer in the payment terminals industry for 35 years, Ingenico Group offers applications and secure solutions based on a unique proprietary operating system (Telium) for merchants of all sizes. The Group provides its customers with a broad portfolio of 2,500 applications and accepts more than 300 payment methods.

The solution is organized around the following:

- payment terminals and applications;
- the management of installed terminals, including security application updates;
- connectivity, ensuring the terminal-to-bank host connection;
- comprehensive, 24/7 after-sales service supporting every phase in the life cycle of terminals and software, from installation to upgrades and maintenance;
- centralization of transactions (Axis);
- end-to-end security – from terminal to bank or processor; and
- value-added services.

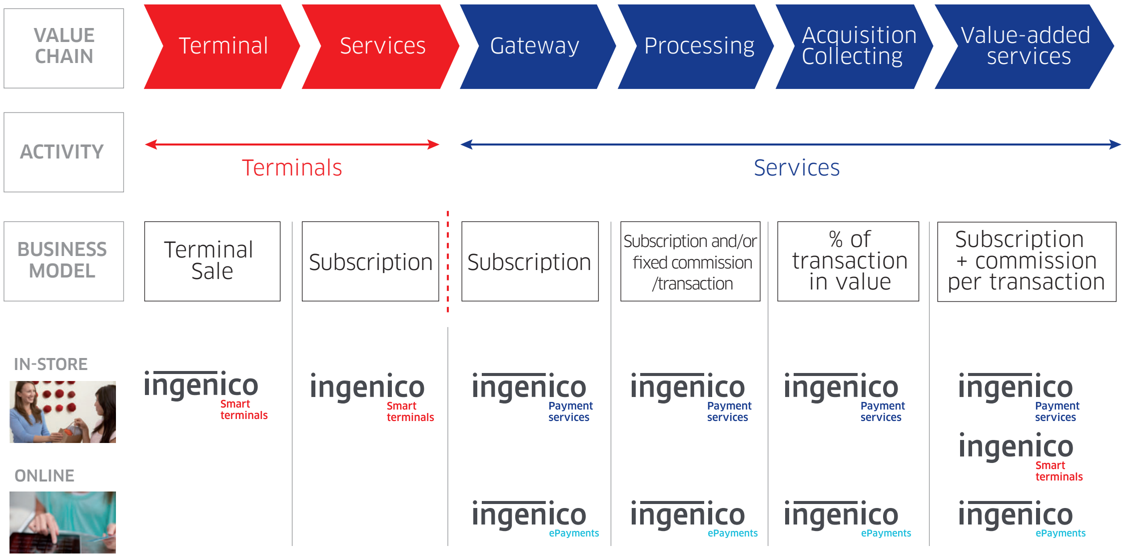
What differentiates the Group is its ability to meet both its banking and retail customers' need for optimized, cross-border and international solutions through its presence in many countries, and its payment service offering supported by easycash's expertise in payment services and its PCI-DSS certified international platform.

The Group's aim is to make the most of regulatory changes, especially in Europe, with the implementation of the Payment Services Directive (PSD) and the introduction of the new Single Euro Payments Area (SEPA).

In addition, the Group also has a full range of customer loyalty solutions that aim to increase merchants' revenues, including: loyalty card and loyalty program management, prepaid card and gift card management, customer data analysis and marketing campaign management. These marketing solutions are available in seven European countries and are being used to manage over 140 card programs.

1.1.4.2 Online

While the Internet is by definition borderless, global eCommerce is by no means uniform: many factors determine the success or failure of cross-border trade. The different regulatory environments, Internet access, consumer preferences and local payment methods contribute to the complexity of international commerce. With Ingenico ePayments, comprised of Ogone, the leader in online payment solutions, and GlobalCollect, the world leader in integrated online payment services, Ingenico Group offers online payment services for merchants of all sizes.



Online payment services for small and medium-size merchants

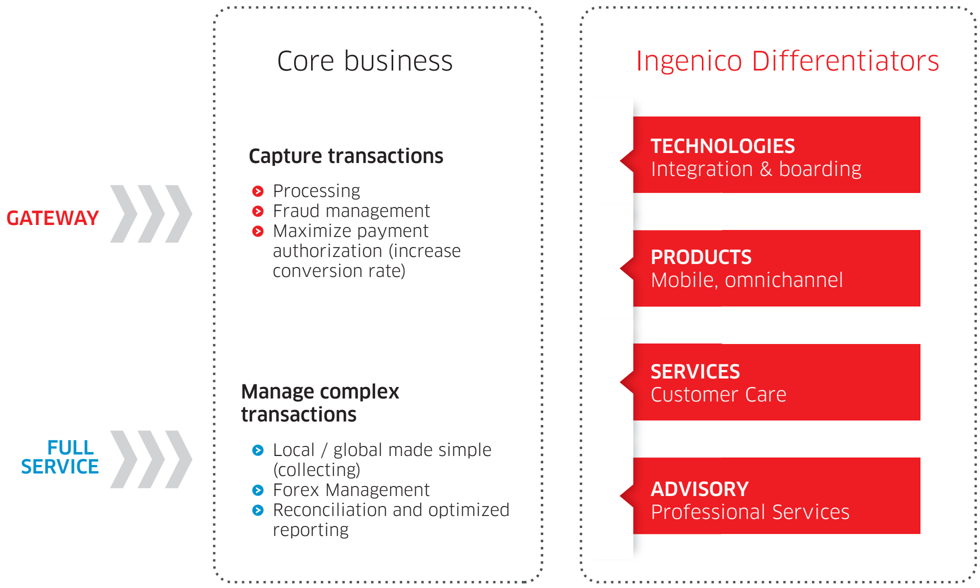
With more than 150 international and local payment methods, the Group's online payment services allow merchants to manage and secure their online payment processes and digital transactions. Accessible online or via a mobile device, this solution enables acceptance of any form of payment quickly and securely: as such, merchants can increase their sales, reach more consumers, and protect their businesses from online fraud.

Ingenico ePayments works directly with large merchants, well as with banks, acquirers, and payment institutions. It also offers white-label solutions such as the service launched with Barclaycard in 2012.

Ingenico's ePayments product focuses on two services:

- Transaction capture (gateway):
  - Process online transactions,
  - Offer an advanced fraud management system,
  - Maximize payment authorizations;
- Complex transaction management (full service):
  - Process cross-border transactions,
  - Collection and conversion management services,
  - Integrated reporting.

Epayments Offer



Comprehensive payment services for large multinational companies

Ingenico Group now offers comprehensive payment services for large multinational companies and companies with a strong online presence looking to expand into new regions. The offering of outsourced payment services removes complexity with a single commercial and technical interface that takes care of risk management, FX management, settlement of funds against approved orders, reporting and remittance of collected funds.

With a presence in 170 countries and boasting acceptance of 150 local payment methods, Ingenico ePayments has developed recognized expertise in payment services, especially in cross-border e-commerce, enabling brands to sell their products online and worldwide. In 2015, the ePayments Division processed €59 million in transaction volumes.

1.1.4.3 Mobile payment

By accepting payments anywhere – in stores, in pop-up shops, on airplanes – merchants with mobile payment services are able to reach mobile consumers wherever they are and thus ensure their loyalty.

Ingenico Mobile Solutions has combined the Group's know-how with Roam's expertise to develop a brand-agnostic white-label mobile platform, to enable customers of all sizes to quickly and easily deliver secure mPOS solutions at low costs. This wide range of mobile payment services meets the specific needs of all types of merchant, including the world's largest brands, such as the IMSP deployed in Apple Stores. At the same time, white-label solutions let acquirers, processors and telecoms operators offer mobile services to smaller merchants.

Ingenico Mobile Solutions' offering is organized around the following services:

- mobile POS for all types of market (Chip & Pin, Swipe & Sign, etc.);
- merchant mobile application;
- security management;
- third-party/platform interface;
- mobile payment gateway (payment connectors and pre-processing);
- the management of installed terminals;
- loyalty programs.

1.1.4.4 Cross-channel

The Group's "multi-channel" offering is enabled by its combination of expertise across a variety of services and solutions: terminals, in-store transaction management (Axis), transaction processing (Ingenico Payment Services), online payment services (Ingenico ePayments – formerly Ogone and GlobalCollect), and mobile payment solutions.

Moreover, the consumer purchasing journey is becoming increasingly diverse; the different stages of a single purchase can take place on several sales channels. Thus the number of interactions between consumers and merchants is growing, with these interactions crossing from one sales channel to another. Equipped with its expertise and solutions for each sales channel, the Group is also able to offer merchants cross-channel payment services, further improving the fluidity, speed and ease of the shopping experience for consumers.

1.1.5 Technology and security expertise

Ingenico Group's ambition is to reduce the ecosystem's growing complexity while allowing merchants to increase their sales, whatever the channel, through smart and secure payment services.

1.1.5.1 Security, enshrined in the Group's DNA

Security is a key factor in terminal design and a priority in every service offered. Payments are being made in new ways, becoming digitized, and make the role of security ever more important. Ingenico Group's R&D Department and its Research Division, Ingenico Labs, include teams that are dedicated exclusively to security and tasked with anticipating changes in standards. The Group continuously monitors compliance with the latest international and local standards, but it is also involved in creating them – whether for card services (*e.g.*, PCI-SSC, EMVco) or digital solutions (W3C).

Always at the cutting edge of secure payments, and obtaining regularly new certifications reinforcing requirements related to the security, Ingenico Group offers its customers an unparalleled level of security. In November 2013, the Group became the first payment services provider to obtain PCI-PIN Transaction Security version 4.0 approval – the highest security standard in the industry. In addition, in 2014, the Group was one of the first players to obtain PCI DSS end-to-end encryption certification.

Meanwhile, since May 2013, the Group has been a member of the Board of Advisors of the PCI Security Standards Council, a forum for the development of payment card security standards, and has recently joined the new Web Payments Interest Group (W3C) in order to profit from the unique ability of the Web to bridge ecosystem diversity and reach users anywhere, in any channel.

For Ingenico ePayments, ensuring the security of data transfers and online merchants' electronic payment transactions is a key part of its offering. Dedicated teams work daily to manage all the risks related to transactions, in accordance with current laws and regulations.

All solutions have PCI-DSS Level 1 certification. In addition, Ingenico ePayments is a member of the PCI Security Standards Council, and thus contributes to new developments in the PCI Data Security Standard (DSS) and other payment card data protection standards. Global Collect Services BV is in compliance with ISAE 3402 Type II for the processing of all payment products.

1.1.5.2 EMV, historical expertise

Ingenico Group was founded 35 years ago in France, the country that invented the chip card. All the payment and secured transactions management culture related to the EMV standard are in the Group's DNA. This standard has been widely adopted throughout the world. According to EMVCo estimates in late 2013, 83% of terminals around the world (outside the United States) use the EMV standard. Beyond its leading position in EMV Chip & Pin payment services, Ingenico Group is also involved in EMV migration as a technical associate member on EMVco's Board of Advisors.

1.1.5.3 Telium, a unique platform

Building on the architecture brought in by Sagem Monetel, Ingenico Group has developed a new platform deployed across the entire new range of terminals. By focusing on a single operating system – Telium – across the globe, the Group has the flexibility to develop universal payment services and loyalty solutions for customers looking to cover several countries.

Today, consumers want a fast, simple and secure purchasing experience, regardless of the technology or device they use. This increases the complexity for merchants eager to build a unique consumer experience to secure sales as soon as customers have made their purchasing decision, increase conversion rates and offer value-added services that support their brand promise.

To meet these new challenges, Ingenico Group is in the process of rolling out Telium Tetra, the first fully integrated commerce ecosystem where secure payment functions and an open world of business applications are combined. This combination enhances the consumer experience and creates further value for the Group's customers. Telium Tetra encompasses the following features:

- the new Telium Tetra operating system;
- a new range of terminals: desk, lane, move;
- access to more than 2,500 payment applications;
- the Estate Manager platform to manage installed terminals;
- a "Marketplace" that hosts third-party business applications developed for merchants and their customers (couponing, loyalty programs, digital marketing, cash register, etc.).

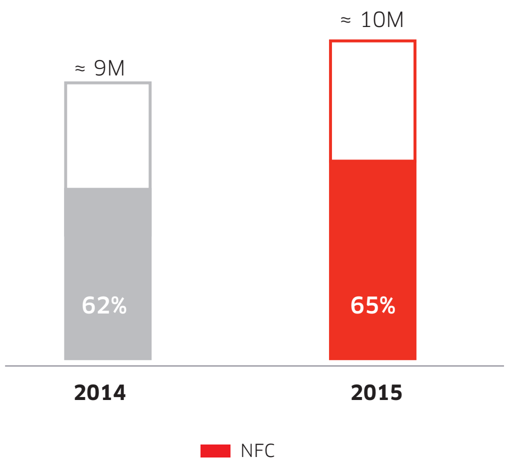
1.1.5.4 Increasingly sophisticated terminals

In a more complex payment environment where merchants need to bring new and innovative purchasing experiences to their customers, the degree of sophistication of new payment devices increases regularly. This evolution is akin to that of the mobile phone world: screens are larger, terminals are more mobile and can support new applications.

This is why Ingenico Group continues to regularly expand its range of terminals with, for instance, the successful launch in 2012 of its range of mobile terminals (iSMP and iWL series) and, more recently, the range of Telium Tetra terminals. Generally speaking, these terminals are even more compact and incorporate the latest functionalities (touch screens), and meet the multi-country and multi-channel needs of all customers.

In addition, in 2009, the Group was the first to integrate NFC (Near Field Communication) contactless payment technology, which is ideal for reducing transaction time when paying small amounts by card or mobile phone. Ingenico Group's NFC solutions also provide access to coupon offers and loyalty programs. In 2015, Ingenico Group continued to roll out NFC-enabled devices, with nearly 65% of terminals sold to merchants and banks using this technology, against around 60% in 2014. The entire new range of terminals includes this contactless technology, which customers can choose to activate if desired.

Continued growth in the number of contactless terminal units sold each year by the Group



1.1.6 Innovation at the heart of the strategy

Innovation is required to stay ahead and to continue to help merchants in the constantly changing world of commerce. It allows the Group to better respond to changing consumer lifestyles and changing interactions between merchants and their customers, whatever the channel or service. For instance, it enhances the consumer's in-store experience via mPOS, developed in Apple Stores, or can speed up donations made online or via a terminal through the integration of payment solutions in connected devices.

Ingenico Group's innovation strategy is based on:

- internal R&D;
- selective partnerships;
- targeted acquisitions.

The dynamic internal R&D team is the backbone of the Group's technological advances, and is bolstered by innovative resources stemming from the Group's partnerships. Together, they generate the fast turnaround required to respond to the evolving market. In early 2015, Ingenico Labs was created to support innovation Group-wide.

1.1.6.1 Ingenico Labs

Ingenico Labs is an advanced R&D unit dedicated to next-generation solutions as well as key customer accounts and global partnerships. Its purpose is to strengthen the capacity for innovation across the Group and to anticipate changes in the payment industry.

To accomplish this, the Group has developed partnerships with major players in the digital world for the deployment of new contactless payment methods like Apple Pay, Samsung Pay and Android Pay.

The Group also continued to make technological advances in connected screens, working with start-ups such as Think & Go to launch the first connected screen integrating contactless multi-payment features. This innovation transforms a screen into a complete multi-merchant point of sale.

In addition, the Group partnered with Aava Mobile to launch the first fully integrated tablet for merchants that combines contactless payment functionalities and POS management (CRM, inventories, etc.). Running on Intel technology, this latest integrated tablet will offer new mobile features to the retail business.

1.1.6.2 Internal R&D

Research and Development (R&D) lies at the heart of the Group's work on innovation and improvement of its products and services.

The Group dedicates considerable resources to innovation and R&D in order to maintain its leading position in the payment services market, where technological and regulatory changes occur constantly, but also to develop seamless payment services for merchants looking to simplify payment methods while facilitating the payment experience for consumers. In 2015, the Group continued to invest significantly in R&D, spending close to 8 per cent of its revenue and dedicating 28% of its workforce to this area.

The Group holds patents for all of the technologies essential to its business lines, in particular related to terminals, software and security. The patent development policy combines in-house R&D with intellectual property rights acquired from third parties.

With multiple interaction points between the corporate and local R&D teams, the Group ensures that each region develops applications tailored to the specific requirements of its market. This has enabled the Group, for instance, to:

- deploy over 18 million contactless terminals since 2010;
- deploy the iSMP for Apple, a multiple payment solution (EMV chip & PIN cards, magnetic stripe cards, and contactless cards) that works with the iPhone® or iPod Touch®. This solution combines the sale and payment in one transaction, increasing cash-out capabilities, and significantly reducing payment transaction time;
- work towards financial inclusion in South East Asia and Africa, and more specifically in India with Fino, to enable the unbanked population to access financial services and start small business;
- launch a new terminal in Turkey, in early 2014, that combines payment, cash register and fiscal memory functions, in response to the market reorganization required by the Turkish state.

1.1.6.3 Selective partnerships

The Group's internal R&D, combined with selective technological partnerships, accelerates the time needed to penetrate certain markets or technologies. That is why the Group has partnered with:

- Atmel for the silicon in secure processor cores;
- Morpho to integrate biometric identification in our terminals;
- other partners for non-payment technologies such as color touch screens, secure keypads, communication modules, etc.

At the beginning of 2015, the Group worked alongside specialist investor Partech to launch Partech Growth, a venture capital fund for future giants of the technology and digital worlds. The aim of this investment is to foster the sharing of ideas, experience and expertise. It is also likely to lead new partnerships.

1.1.7 Payment: a competitive market

1.1.7.1 In-store

A concentrated payment terminal market

Market consolidation

The payment terminal market has been consolidated in recent years, mainly through five major business deals:

- Verifone's buyout of Lipman in April 2006;
- Ingenico and Sagem Monétel's merger in March 2008;
- Hypercom's purchase of the Thales e-Transactions unit in April 2008;
- Verifone's buyout of Gemalto's payment terminal business in December 2010;
- Verifone's purchase of Hypercom's business (excluding the US, Spain and UK) in August 2011.

Following these transactions, the market is consolidated around two key players representing about 80% (1) of the total market value in 2015. The Group also competes with local players, including Pax in China.

In 2015, Ingenico Group consolidated its leading position, with an estimated market share of around 40% (1) of the payment terminals market and over 30 million terminals installed worldwide (2).

High barriers to entry

Ingenico Group operates in a local and global ecosystem: its payment terminals and secure transaction systems must not only be certified to meet global standards – mainly those defined by the Payment Council Industry – but must also obtain the mandatory local certifications for the various applications used in each country.

In addition to these regulatory constraints, other obstacles include regional differences regarding payment customs and specific demands among banks/acquirers in terms of applications.

Ingenico Group's large portfolio of applications is a significant asset: it manages over 2,500 applications for its customers.

Mobile payment services market expanding the traditional market

The development of intelligent mobile platforms (smartphones and tablets) has given rise to the emergence of new suppliers of solutions (such as Square in North America). These suppliers' solutions enable payment transactions via smartphones and tablets, targeting what, until now, was an essentially underdeveloped market consisting of self-employed entrepreneurs, pop-up retailers, mobile business owners and artisans.

The solutions currently available are not always in line with global and local regulatory requirements, especially in relation to security. Nevertheless, these new methods of payment have revitalized the electronic payment market and provided a boost to the micro-business sector for which the Group provides solutions through Ingenico Mobile Solutions.

A local and fragmented payment processing market

The in-store electronic payment processing market is a key market, but it is local, fragmented, and has strict barriers to entry. Indeed, each country has its own payment protocols and applications, every type of merchant has different needs and consumers also have different payment habits (for instance: local credit cards or debit cards). In addition, payment processing is generally integrated into a global IT infrastructure and requires specific developments.

Many local players coexist, such as Ingenico Payment Services (formerly easycash) in Germany, Nets and Point (Verifone) for small merchants in the Nordic countries, Ingenico Payment Services (formerly Axis) and Worldline in France, and the Logic Group in the UK for the largest brands.

With regulatory changes and the implementation of the new European payment market (SEPA), large retailers need to standardize and manage their card payments based on European standards. Consequently, it is increasingly important for a payment platform to be able to manage cross-border transactions.

The size of this market is increasing around the world as the electronic payment industry matures, and it is driven by two main pillars: the development of electronic transactions in emerging countries and the expansion of payment infrastructure outsourcing in more mature countries This phenomenon is fostered by the growing complexity of the payment ecosystem and increasing security requirements, which are pushing merchants to work more and more with providers like Ingenico Group.

1.1.7.2 Online payment, a growing market

The strong organic growth registered by the online payment processing market is related to the expansion in e-commerce.

The online payment market is also local and fragmented, for the same reasons as the in-store payment market, as described above. Ingenico Group is positioned on the gateways and full service segment, which represented about €1.7 trillion in 2015, and is expected to reach €3.3 trillion in 2020. In this worldwide market, Gateway and Full Service segment generate about 6 billion euros of revenues and Ingenico Group capture around 7%.

The online payment market is driven by purchases made on mobile phones and digital tablets, which already account for about 20% of online transactions, and are now growing faster than traditional e-commerce. To meet this growing consumer need, the Group has developed a unique solution called

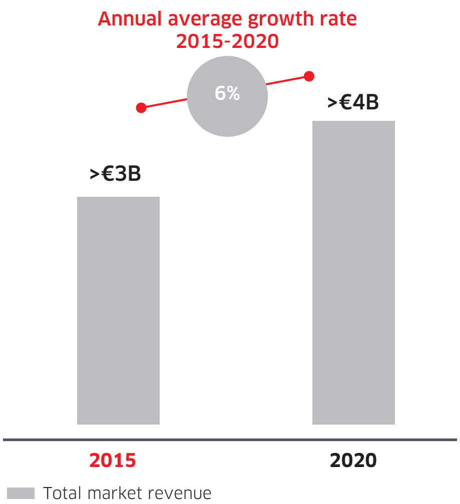
(1) Market share calculated based on the number of terminals delivered in 2015.
(2) Including mPOS.

"Ingenico Connect." In addition to offering a wide range of local payment methods, Ingenico Connect offers new APIs for an optimal payment experience on any device.

Finally, although the online payment market is still very fragmented, some global players have emerged in recent years, such as WorldPay, Wirecard, Adyen and Ingenico Group.

Payment Terminals revenue pool (1)

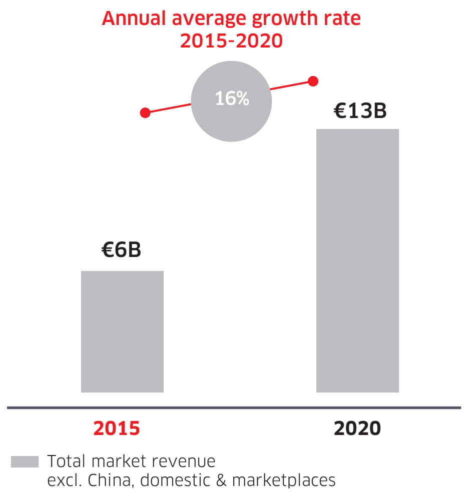
(in billion euros)



(1) Hardware revenue excluding maintenance and mPOS.

Online Payment services revenue pool (1)

(in billion euros)



(1) Ingenico Estimates based on ecommerce flows.

1.1.7.3 Cross-channel, the emergence of a new market

The interaction of all three payment channels (in-store, online and mobile) is now a key challenge for all merchants, regardless of their size.

Currently, there are very few cross-channel solutions. Indeed, few players from the physical world are present in the online payments market, while few online payment players have a presence in the physical market. When this offering exists, it tends to be limited to a very small number of countries.

Thanks to its historical expertise in in-store electronic payments and its acquisitions in online payments, Ingenico Group is very well positioned to meet these new challenges and is already fully engaged with the cross-channel transactions market.

1.1.8 Trends

On March 23, 2016, the Group is holding an Investor Day during which it will present the targets it wishes to achieve by 2020:

- revenue around 4 billion euros (at 2015 exchange rate and including targeted acquisitions); double digit organic growth per year;
- EBITDA margin: 22-23% of revenue;
- conversion rate free cash flow/EBITDA at minimum 45%;
- dividend distribution policy at 35% of net income.

1.2 Risk factors

Ingenico Group believes that, on the date of this Registration Document, the risks described below are those that are likely to affect its business or results. The risk review performed by Ingenico Group has revealed no significant risks other than those described below that, were they to occur, could affect the Group's business, its sales and business operations or share price. Investors should, however, be aware that there may be other risks that were not identified on the date of this Registration Document or whose occurrence was not deemed, on that date, likely to have a significant adverse effect.

The Audit and Finance Committee periodically reviews and conducts assessments of potential risks that could adversely affect the work carried out within the Group, as well as the suitability of the procedures in place. The Committee conveys its main findings to the Board of Directors.

The process for risk management is detailed in the Report of the Chairman of the Board of Directors on corporate governance and internal audit and risk management procedures provided in section 3.1 of this Registration Document.

1.2.1 Business and strategic risks

Risk of not meeting targets

The Group's financial performance depends on a variety of factors, and specifically on its ability to do the following:

- increase revenue from the Group's traditional payment terminals business;
- increase revenue from the Group's services business, in particular via the development of Ingenico Payment Services and the integration of GlobalCollect, the internationalization of online payment and mobile payment transaction management services and the sales of these value-added services;
- maintain profit margins on the payment terminals business;
- streamline and effectively leverage the technical infrastructure and platforms used for Transaction Services;
- control operating costs and costs associated with the development of services and software solutions.

The Group's financial management carries out monthly performance analysis and regular earnings forecasts and regularly informs the Board of Directors of results and any changes.

However, the Group's business, results and financial position could be affected:

1) if the Group fails to achieve all or some of its targets;
2) if prices in the payment terminals market were to fall significantly and continuously;
3) if the growth in demand for payment terminals slowed significantly or if the volume of business in Transaction Services decreased significantly due, for example, to unfavorable economic conditions which could result in a major decline in consumption.

The Group's 2016 objectives are detailed in Section 4 of this Registration Document.

Risk that additional financing will be needed

The Group could require additional financing, for example:

- if the Group maintains its policy of expanding through acquisitions in order to develop synergies with its businesses, to acquire installed terminal populations to accelerate the implementation of its service strategy, or to purchase payment technologies that complement payment terminals (*e.g.*, online and mobile technologies);
- if technological changes compel the Group to invest substantially in new technology and new terminal and service offerings;
- if revenue and margins contract as a result of events over which the Group has no control;
- or, more generally, if the electronic payment market undergoes major change.

The Group cannot always be sure that it has adequate financing in place at the right time, and without it, its ability to grow could be adversely affected. However, the Group does have unused sources of financing as described in Note 9.e. "Financial risk management" to the consolidated financial statements as at December 31, 2015, and has also introduced a decision-making process designed to anticipate future needs.

Risks related to the Group's dependence on specific suppliers

The Group has entirely outsourced the production of its payment terminals to specialized leading electronic assembly companies known as EMS (External Manufacturing Services). The Group currently works with two of the world's five largest electronic sub-assembly subcontractors, Flextronics and Jabil, which handle the bulk of its production work. If they were to fail to meet their commitments, Ingenico Group would turn to other previously identified suppliers and is in a position to shift production from one supplier to another relatively quickly. Although the geographical spread of the various EMS production facilities in Brazil, Malaysia, Russia and Vietnam takes geopolitical and natural risks into account, the Group cannot guarantee that in the event of major political problems, a shift in production site would not generate temporary hardware manufacturing difficulties.

Risks related to the Group's dependence on specific customers

Although the Group sells to a large number of customers, some generate a significant portion of its revenue. The Group's top customer, top five customers and top ten customers accounted for 3.2%, 11.1% and 18.2% of its revenue, respectively, in the year ended December 31, 2015. A loss of, or decrease in, business with one or more of these customers could result in a proportional reduction in total revenue.

	2015		2014		2013	
	€m	% of revenue	€m	% of revenue	€m	% of revenue
Revenue derived from the top customer	72.1	3.2%	92.1	5.7%	51.3	3.7
Revenue derived from the top five customers	245.1	11.1%	220.0	13.7%	155.0	11.3
Revenue derived from the top ten customers	401.0	18.2%	311.8	19.4%	248.0	18.1
GROUP REVENUE	**2,197.3**		**1,607.3**		**1,370.9**	

Component sourcing risk

The Group is dependent on adequate component sourcing from its EMS payment terminal manufacturers. Because component shortages are a clearly identified risk in the electronics industry, the Group takes all due care to monitor industry forecasts, and the Operations Department checks those forecasts against the Group's sales forecasts in order to anticipate the risk of component shortages. To better anticipate sourcing disruption risks caused by shortages, supplier failures or natural risks, a multi-sourcing policy is consistently applied where possible and, in certain cases, security stocks are created for critical components. Moreover, some key suppliers are required to have two production sites for sensitive components. These preventive measures introduced by the Group cannot, however, entirely eliminate the risk of component shortages.

At December 31, 2015, the Group had placed approximately €111.4 million in firm price orders with its manufacturers (see Note 13 "Off-balance sheet commitments" to the consolidated financial statements as at December 31, 2015).

In addition, as part of the outsourcing of the production and assembly of its payment terminals to EMS (external manufacturing services), the Group has made several inventory buyout commitments to its suppliers. The Group recognizes a provision for supplier inventory buyout commitments to cover the risks associated with these agreements, particularly the risk that components held by suppliers may become obsolete and the risk that supplies may exceed planned output. A provision for the full value of components declared obsolete is recognized. The Group estimates excess supplies by comparing the procurement and production plans. For 2015, the provision recorded in the consolidated financial statements as at December 31, 2015 for supplier inventory buyback commitments came to €2.8 million (see Note 8 "Other provisions" to the consolidated financial statements as at December 31, 2015).

Risks related to hardware manufacturing

A single operating or manufacturing defect or the use of faulty components in any of the Group's products and systems could result in product liability lawsuits of varying size which could damage its reputation and adversely affect its business, results of operations, financial position and ability to meet its objectives.

The Group has implemented a quality control procedure designed to reduce risks *in situ* at EMS sites.

In this respect, a provision for warranties is recognized by the Group when the corresponding goods or services are sold. At December 31, 2015, the provision recorded in the consolidated financial statements for warranties amounted to €20 million (see Note 8 "Other provisions" to the consolidated financial statements as at December 31, 2015).

Moreover, a provision for product quality risk is recognized when this risk is not covered by the provision for warranties. At December 31, 2015, the provision for product quality risks recognized in the consolidated financial statements amounted to €10.2 million.

Risks related to transaction service provision and service availability

In the context of developing its Transaction Services business, Ingenico Group makes increasing use of several service providers for its platforms, including Ingenico Payment Services, GlobalCollect, Ingenico Marketing Solutions, Axis, and ROAM Data.

Providers are selected through competitive bidding on the basis of Ingenico's operational and financial specifications. The Group's relations with its service providers are contractually stipulated. However, any failure on their part to provide the services regularly required by the Group's operations, particularly with respect to online and point-of-sale payment capabilities, could affect Ingenico Group's service business and its customer relationships.

Counterparty risk

The growth of Transaction Services, particularly in the acquisition and collection businesses, exposes the Group to counterparty risk. If a merchant defaults and is unable to meet its service obligations to end customers, the Group might be required to reimburse those customers for certain payments to the merchant, with no guarantee of recovery from the latter.

The Group has developed a methodology for conducting a detailed analysis of the risks associated with each type of service it offers in order to improve risk monitoring and be able, if necessary, to calibrate the guarantees demanded of counterparties more effectively. The primary purpose of this approach is to limit the impact of counterparty risk on the Group (see Note 9.e. "Financial risk management" to the consolidated financial statements as at December 31, 2015).

Risks related to IT security

In connection with its business activities, the Group electronically receives, processes, stores and transmits a significant volume of personal information and payment data.

Payment terminals play a central role in ensuring the security of sensitive data transfers and electronic payment transactions. Ingenico Group manufactures terminals that incorporate cryptographic technology and comply with PCI-PTS (Payment Card Industry – PIN Transaction Security) security standards.

The Group has established a procedure for tracking terminal quality and security throughout the production process at EMS sites. Notwithstanding all these security measures, it can make no assurances that Ingenico Group payment terminals are completely secure, despite the certification applicable at the time of manufacture of its terminals or IT systems. Any security breach or any claims with respect to the security of its IT systems or terminals could therefore damage its reputation and adversely affect its business, results of operations, financial position and ability to meet its objectives.

Risks related to information technology systems

The Group's information technology systems are at risk from attacks (viruses, denials of service, etc.), technical faults causing interruptions to IT tools, and theft of data. The Information Technology Systems Department is in charge of security for the networks and systems as well as the applications essential to the Group's activity, and performs periodic penetration tests or back-ups. Despite such vigilance, any one of these incidents could have a negative impact on the Group's business and performance.

The introduction of new technologies (cloud computing, Bring Your Own Device), the evolution of industrial control systems, and the development of new tools such as social networks, expose the Group to new threats. Computer hacking and attempted breaches are increasingly targeted and carried out by real experts who can attack the Company as well as its private or public partners. More generally, a systems failure could lead to the loss or leaking of information, delays, and additional costs that could be detrimental to the Group's strategy or its image.

The Group applies IT security measures that are tailored to the risks identified. Together with its internal control and security policies, these organizational, functional, technical and legal security measures are subject to annual audits.

However, in spite of the risk assessment procedures implemented by the Group, it may not be possible to guard against all technological and IT risks. Were such a risk to materialize, it could adversely affect Ingenico Group's business, results of operations, financial position and ability to meet its objectives.

Risks related to personal data protection

For some of its activities, the Group must collect and process personal data. Regulations governing the data privacy are becoming more stringent at both the national and European levels. Any breach of these obligations could result in criminal or financial sanctions against the Group and damage its reputation.

The Group has taken steps to ensure the reliability of its data protection and security systems, and to reduce any risk caused by a breach of security or of the personal data it processes.

In 2015, Ingenico Group created the Group Compliance Officer function within the Group's Legal Department to manage and monitor all matters relating to internal ethics and compliance. This function ensures the implementation of the various aspects of the Group's Code of Ethics, as well the uniformity of ethics and compliance policies across the Group.

Despite the measures taken by the Group to protect data privacy and security, there remains the risk that data processing systems may be hacked or breached, which could lead to sanctions and damage its reputation.

Risks related to a global business

The Group markets its products and services in more than 170 countries around the world, and intends to grow its business in China, India, Africa, Turkey, Russia, the Middle East and Southeast Asia.

The primary risks associated with its international business operations are the following:

- local economic and political conditions;
- exchange rate fluctuations;
- restrictions on capital repatriation;
- unexpected changes in the regulatory environment;
- a variety of tax regimes that may adversely affect the outcome of the Group's business or its cash flow, particularly regulations on transfer pricing, and withholding taxes on remittances and on other payments made by the Group's associates and subsidiaries;
- import restrictions;
- customs duties, controls on exports of goods and services and other trade barriers.

The Group carries out an in-depth review of each country, studying the local market and assessing the possibilities for starting up operations. Consistently strict terms of payment are applied, especially in countries in Africa, the Middle East, Southeast Asia and Eastern Europe.

Despite the procedures introduced by the Group, it cannot fully guard against or provide coverage for these risks, and may experience difficulties in any one of the countries where it does business. This could adversely affect its overseas employees and/or its results.

Risks related to the Group's expansion

The Group's development strategy involves both external growth transactions, such as acquisitions of businesses or companies, and the expansion of its existing businesses. All investments are carefully analyzed and reviewed according to a very strict internal policy, but the Group can make no assurances that the profitability assumptions underlying investment projects will all be fulfilled or that the process of integrating the acquired or merged companies will be successful. As a consequence, the expected benefits from any future or completed external or internal growth efforts might not be realized within the expected periods or at the predicted levels, thus impacting the financial position of the Group.

The Group must also maintain an ability to adapt its structures swiftly in order to adjust to changing technology, payment methods and customer demand. The Group might fail to invest in products and services that respond to demand at competitive prices or to adjust its products and services, costs and organization structure in a timely fashion and might have trouble completing specific critical projects. Such a development could adversely affect its business, results of operations and ability to meet its objectives.

Human resources risks related to the Group's development

Ingenico is a growing group that is diversifying to offer an increasing variety of secure electronic payment services. In the context of a highly competitive and fast-changing technology sector, attracting, developing and retaining the necessary skills is a key issue.

Accordingly, the Group must position itself to meet a list of qualitative and quantitative objectives related to talent management:

- develop managerial skills at all levels to support its growth and its continued transformation;
- identify and recruit talent with the specific skills – especially technical (and mainly in software engineering) – that are needed to support growth and deliver a range of new value-added services on a global scale;
- become a benchmark employer in our new businesses.

The challenge for the Group is to anticipate and plan the acquisition and development of the skills that will ensure its future success. The risk is in not having this talent on hand in time to support the strategy. Several programs and initiatives have, therefore, been implemented to prevent this risk. These mainly cover the following aspects:

- developing an employer brand and bolstering its appeal in terms of recruitment (through increased use of social networks, for example);
- training all employees, with targeted investments in the development of a new e-learning platform;
- engaging employees through increased internal communications;
- understanding what motivates employees through a global engagement survey. The first such survey revealed very high engagement rates and established strengths such as pride of belonging, belief in the strategy, and working conditions;
- retaining talent and rewarding performance through Group long-term remuneration plans, as well as specific plans in the event of acquisitions.

Ingenico Group thus has a proactive and multi-faceted approach so as to ensure that it has the talent and skills necessary for its future success. Despite this, it cannot guarantee that these actions will enable it to recruit the resources needed for its development at the right time or under satisfactory conditions.

1.2.2 Environmental risks

Environmental risks associated with Ingenico Group's business derive mostly from increasingly stringent environmental laws and regulations. Should Ingenico Group fail to comply with current regulations, it could be required to pay fines and the authorities could even prohibit the marketing of its products.

To address these potential environmental risks, which could harm Ingenico Group's reputation or its results, the Group has developed an environmental management system which is certified to ISO 14001:2015. Within this framework, Ingenico Group has established an environmental risk prevention policy.

This policy includes an environmental regulation monitoring mechanism to help it anticipate changes in regulations that affect the way it does business.

Risk related to restrictions on the use of hazardous substances

With regard to supplier and subcontractor relationships, Ingenico Group has instituted measures to ensure compliance with the RoHS 2 directive, which restricts the use of six substances deemed hazardous to human health and the environment.

Under REACH rules, Ingenico Group closely monitors all updates to the list of "Substances of Very High Concern" established by the European Chemicals Agency (ECHA). The Group requires that none of the components delivered by its suppliers contain such substances. Certificates from its suppliers are required by Ingenico Group for any component considered at risk, and laboratory tests are conducted on certain components or whole products.

Risk related to the disposal of waste electrical and electronic equipment (WEEE)

To reduce the risk of uncontrolled pollution, the Group makes sure that collection and recycling programs for end-of-life Ingenico Group products are in place and available to its customers in Europe, in accordance with the WEEE directive, and in other countries outside the European Union.

The quantity of Ingenico Group products distributed, collected and recycled are periodically declared to the national manufacturer registers in those countries where regulations so require. Ingenico Group also informs users of these requirements through the display of appropriate symbols on Ingenico Group products. The Group provides disassembly guides to recyclers.

Risk related to the environmental practices of suppliers and subcontractors

All Ingenico Group's Tier 1 subcontractors are certified to ISO 14001 and have signed the Electronic Industry Citizenship Coalition (EICC) charter. This agreement ensures that the environment is taken into account in the assembly processes of Ingenico products. The Group also has dedicated teams at key production sites who monitor the assembly lines on a daily basis, and ensure that subcontractors conduct their business activities in accordance with the practices prescribed by the Group.

Ingenico Group also incorporates environmental criteria into the agreements the Company signs with its industrial partners, whether with assembly facilities for Ingenico products or strategic suppliers of components (for more details, see section 2.4.6 "Supply chain management" of this Registration Document).

Despite the policies instituted by the Group and because the environmental risks are not limited to the Group's business activity, it is not always possible to guard against such environmental risk. If one of these risks should arise, the Group's business, results of operations, financial position and ability to meet its objectives could be adversely affected.

1.2.3 Industry risk

Risks related to development of new systems and business models

The payment industry is subject to rapid and significant changes in services and technology, with the emergence of new payment terminal technologies (*e.g.*, contactless, biometric) and alternatives to payment terminals (*e.g.*, online and mobile payment).

The Group considers microprocessor cards to be the best platform for providing network services, personal identification, security, e-commerce and mobile commerce. Its growth strategy reflects the firm belief that chip card technology will remain the leading standard in secure access solutions.

If, however, alternative solutions were adopted, this change could adversely affect its business, results of operations, financial position and ability to meet its objectives.

Continuing the EMV deployment program and working closely with the leading suppliers of technology used in payment terminals (*e.g.*, contactless cards, mobile payment with Near Field Communication technology) mitigates its risk exposure should other systems and standards incompatible with secure payment systems be developed. Moreover, Ingenico Group has undertaken to develop specific expertise in controlling such risks.

The Group continually monitors trends in payment technology and usage among banks and merchants around the world. Ingenico Group has already invested in companies offering innovative solutions that address the growing diversity of payment methods, including GlobalCollect for online payment, Ingenico e-Commerce Solutions, and ROAM Data Inc. for mobile payment.

The Group also monitors the development of methods of payment offered by new significant players in the ecosystem such as Google, Apple and PayPal. To date, the Group has signed agreements with Google, PayPal and Microsoft in the United States to facilitate the development of these solutions. However, the Group cannot rule out the emergence of alternative payment methods that might challenge the economic assumptions used in the Group business plan.

Therefore, and despite these initiatives, the Group might not succeed in, or might be late in, anticipating demand for new payment methods, since technological change and the emergence of new methods of payment can have unforeseeable consequences. Such a development could adversely affect its business, results of operations and ability to meet its objectives.

Risks related to competition in the payment terminal business

The payment terminals market is largely in the hands of two global players who together represented approximately 80% of the market in 2015 (estimate based on the number of terminals delivered in 2015). The Group also has local competitors.

Despite this high level of concentration, the Group cannot rule out the possibility that new manufacturers will make successful inroads into the payment terminal market. In particular:

- players in emerging countries may expand internationally;
- large companies that previously focused on secure electronic transaction processing may wish to move down the electronic payment value chain and include hardware in their offering;
- providers using supposedly less secure solutions based on open platforms (Windows CE or Linux) may seek to break into the payment terminal industry.

Such additional competition could adversely affect Ingenico Group's business, results of operations, financial position and ability to meet its objectives.

Risks related to competition in the payment service business

The development of this business activity is contributing to the expansion of competition risks beyond the market for conventional payment terminals. The services provided by the Group (such as management of connectivity, transactions, management of installed terminals, as well as transaction processing and value-added services) are not generally offered by its traditional competitors, but by companies that may be partners or customers of the Group, or by companies with an established position as providers of one of these service packages. Payment service provision tends to be a competitive business involving fairly large companies (*e.g.*, First Data International, Worldpay).

However, the Group believes that size is a factor of limited impact, since the payment market is local and segmented. Against this background, the Group is defining the building blocks for customer-based and country-specific services and solutions that reflect local market structure and customer positioning.

Despite its credibility and the expertise it has gained in payment and value-added services through recent acquisitions, the Group may still be unable to achieve sufficient credibility as a payment service provider. Such a development could adversely affect its business, results of operations and ability to meet its objectives.

1.2.4 Legal risks and compliance

Regulatory risk

The Group's business activities are subject to many regulations, including commercial, customs and tax regulations in France and internationally. Regulated payment services in particular are subject to stringent rules, especially at the European level.

Changes in any of these regulations or their applications, especially the tightening of regulations governing payment and e-money institutions, could lead to different types of sanctions, which may have a material adverse effect on the Group's business, financial position, reputation and ability to meet its objectives.

Even if amendments to laws, regulations or standards did not apply directly to the Group, the impact on its financial institution customers could have indirect and significant repercussions on how the Group does business and the demand for the services it provides. In particular, the Group would need to upgrade its systems to comply with new regulations.

Due to the increasing popularity of the Internet, mobile and IP-based telecommunication networks, a variety of laws and regulations are being drafted or amended to address the issues of privacy, security, pricing, content and quality relating to products and services. Growing concern about these issues, as reflected in the adoption of additional laws and regulations, could conceivably slow down growth in these areas, possibly resulting in lower demand for Ingenico Group's products and therefore adversely affecting its business, financial results, financial position and ability to meet its objectives.

As such, the Group can neither guarantee that it has been, or will be, in all circumstances, in compliance with such standards or regulations, nor that it will avoid any costs or significant liability to ensure future compliance with such regulations, nor that it will be able to finance any such future liabilities.

In 2015, Ingenico Group created the Group Compliance Officer function to manage and monitor all matters relating to internal ethics and compliance. This function ensures the implementation of the various aspects of the Group's Code of Ethics, as well the uniformity of ethics and compliance policies across the Group. Within the Group's Legal Department, the Group Compliance Officer is tasked with monitoring the development of European regulations on payment services and establishing the procedures and resources necessary to comply with said regulations.

In addition, the Group conducts regular audits of its subsidiaries around the world and may call on experts to check the compliance of some of its practices with applicable regulations.

Risk of unethical conduct

Ingenico Group ensures that all of its employees act at all times in accordance with the values of integrity and respect for the internal and external standards that are the foundation of its corporate culture.

The Group's Code of Ethics and Business Conduct, which covers employees and business relations (including suppliers and subcontractors), defines the standards and behaviors that apply to the Group's businesses (such as the rights of employees, anti-corruption legislation, etc.).

Any behavior which, despite the Group's best efforts, violates these values, could lead to the Group being held liable for that conduct and may have serious repercussions on its reputation.

Accordingly, during the last quarter of 2015, the Group Compliance Officer developed an employee awareness and training program addressing these issues. This program will be replaced in 2016 by a dedicated online training module.

Fraud risk mapping also helps to prevent this risk. Launched in 2012 and updated in 2015, the fraud risk map enables the identification of actors and tools designed to protect the Group against the risks of internal and external fraud. The analysis and prevention of risks related to fraud fall within the responsibility of the Risk & IT Department.

Risks related to PCI standards

The security standards established by the PCI-SSC (Payment Card Industry – Security Standards Council) are designed to enhance card payment data security by promoting the broadest possible implementation of the specific standards relating to the various components of card payment transactions. The main standards are the PCI-PTS (Payment Card Industry – PIN Transaction Security) and PCI-DSS (Payment Card Industry - Data Security Standard). PCI-PTS for PIN code entry aims to guarantee that the cardholder's PIN is always processed securely by the PIN entry device and ensures the highest level of payment transaction security. The aim of PCI-DSS, which relates to the digital and electronic banking environments of merchants and payment service providers, is to ensure that private cardholder data and sensitive transaction data are always processed securely in systems and databases. This standard is mandatory for all systems that process, store or transmit such data, regardless of whether payment is made with a payment card.

Updates to these standards involving changes to existing requirements are managed by the founding members of the PCI-SSC (Visa, MasterCard, American Express, JCB, and Discover) in consultation with stakeholders from across the electronic payment industry (*e.g.*, local banking entities, payment terminals and services providers, regulators, merchants, banking associations, and banks). This organization offers manufacturers the opportunity to take part in shaping the standards and their implementing rules. Ingenico Group is a "participating organization" in the PCI Security Standards Council, with a seat on the Board of Advisors, and as such has a say in defining specifications to ensure that any such standards remain valid for a minimum of three years. Ingenico Group's product and solution development teams take these new standards into account right from the initial design stage.

Whenever these standards are modified, changes have to be made, not only in the kernel software that manages security components, but also in the terminal hardware. From one version to another, the implications for Ingenico Group in terms of investment may therefore be quite significant.

Ingenico Group takes all the necessary financial and engineering steps to bring its new payment terminals into line with PCI-PTS, which has resulted in increased security for payment card interfaces (magnetic stripe, chip and contactless) and stronger PIN protection. Although the certification process is extremely robust, there is a risk that once in use, specific products might reveal defects that could subsequently lead the PCI Council to challenge their certification. In the event of a withdrawal of certification, such a challenge could lead to prohibition of sales of the product, resulting in decreased revenue and a financial loss.

As a provider of payment services, particularly centralized payments solutions deployed in large-scale retail businesses, Ingenico Group must also comply with PCI-DSS (Payment Card Industry – Data Security Standard). Ingenico Group's payment services are all subject to an annual third-party audit by a Qualified Security Assessor (QSA) certified by PCI-SSC. Again, this audit process provides a reasonable level of confidence in system security, but is not an absolute guarantee of the impossibility of a breach of networks and servers, which may lead to theft of sensitive data.

As with PCI-PTS, changes in this standard would entail changes in the architecture of data processing systems, networks and servers that would require substantial investment by Ingenico Group.

The Group maintains an ongoing relationship with those responsible for PCI-SSC and payment schemes (international and national) to ensure that the Group can address all aspects of current and forthcoming standards in the best possible conditions, and to ensure that it is in a position to anticipate trends and prepare for future investments and corrective expenditures. Despite this close relationship, Ingenico Group might not have all the information required to be able to avoid fraud or security breaches with regard to its certified payment terminals and solutions. Such occurrences could damage its reputation in a way that could affect the Group's corporate image and results.

Risks related to intellectual property

Were a third party to deem that the Group's technology or products infringed upon its rights, and that Ingenico Group had not obtained the licenses required to use this technology, Ingenico Group might be prohibited from using the technology or selling the relevant products. In the case of such a legal claim, the Group could be confronted with significant costs, production delays or even be forced to redesign its products. Any one of these developments could adversely affect its business, results of operations, financial position and ability to meet its objectives.

To ensure that the rights of third parties are guaranteed, whenever necessary, the Group conducts research on existing intellectual property and keeps a close watch over its portfolio. Ingenico Group also works with patent lawyers to keep abreast of any possible infringement complaints and legal disputes that might arise from them. Recently, companies known as "patent trolls" have sprung up in the United States and France. Ingenico Group has implemented specific measures to monitor this trend, and with the assistance of law firms specializing in intellectual property rights, defends itself against such improper practices in both the United States and France.

Based on the risk assessment performed by Ingenico Group to date and in accordance with the applicable accounting standards, no provision was recognized for such claims in the consolidated financial statements as at December 31, 2015.

1.2.5 Market and liquidity risks

A detailed analysis of market risk (interest and exchange rate risk) and liquidity risk is available in Note 9.e. "Financial risk management" to the consolidated financial statements as at December 31, 2015. Ingenico Group has performed a separate review of its liquidity risk and deems that it has the means to meet its future obligations.

1.2.6 Non-recurring events and legal disputes

1.2.6.1 Tax disputes

During fiscal year 2015 and prior years, Group companies were subject to tax audits and occasionally proposals for adjustments. The financial consequences of such additional tax assessments and taxes are recognized through provisions for the amounts that have been notified and accepted or are considered as presenting a probable outflow of resources which can be reliably estimated.

The Group periodically reviews the assessment of this risk as audits or litigations progress, and is of the opinion that there are no ongoing audits that will have a material impact on its financial position or liquidity.

Tax disputes in Brazil

Tax assessment procedures in respect of a Brazilian subsidiary are still in progress. They relate to the ICMS tax, where the amount in question (covering principal, from 2004 to 2009, interest and penalties) was approximately €53 million as at December 31, 2015. The "tax war" currently pitting Brazilian states against one another may affect Ingenico as well as a large number of foreign and domestic companies. Against this background, the tax authorities of the state of Sao Paulo have contested the deduction by Ingenico do Brasil of a portion of the ICMS tax on the sales invoices of one of its suppliers, on the grounds that the state of Minas Gerais, in which the supplier operates, had granted the supplier a tax concession that violates federal law. All notified ICMS-related assessments are still being contested in the administrative courts in Brazil.

As at December 31, 2015, Ingenico had not been notified of any final decision by the Brazilian administrative courts and consequently had not received any demand for payment.

In addition, the subsidiary, on the advice of tax experts, believes it has serious grounds for contesting the claims of the authorities.

Based on an analysis of the risks involved and on the criteria set out in IAS 37, no provision has been recognized in the consolidated financial statements as at December 31, 2015.

1.2.6.2 Commercial disputes

Disputes are regularly reviewed by the Group's Legal Department and are covered by provisions when the Group considers it probable that an outflow of resources will be necessary to cover the risk incurred, and that a reliable estimate of this amount can be made. Reversals of unused amounts chiefly reflect the resolution of such disputes that were settled in the Group's favor, or in which the amount of the damages awarded proved to be lower than originally estimated.

1.2.6.3 Conclusion

As at December 31, 2015, Ingenico Group recognized provisions for litigation and claims totaling €9.8 million, in respect of various commercial disputes and various industrial tribunal disputes. These disputes are described in Note 8 "Other provisions" to the consolidated financial statements as at December 31, 2015.

To the best of the Company's knowledge, for the period covering the last 12 months preceding December 31, 2015, there are no judicial or arbitration proceedings of which the Company is aware that could have or have recently had significant effects on the financial position or profitability of the Company and/or the Group, other than the disputes listed above.

1.2.7 Insurance

The Group's policy is to purchase insurance from external sources so as to cover insurable risks to the Group and its personnel at reasonable rates. The Group believes that the kinds of risks covered and the guarantees provided by its insurance policies are consistent with standard industry practice.

Ingenico Group's insurance program in 2015 includes the following coverage:

- civil liability;
- damages and business interruption;
- MAT insurance for shipped goods;
- Directors and executive officers liability;
- fraud;
- personal injury;
- automobile.

The Company does not have separate insurance coverage for the risks of illness, resignation or death of its key executives.

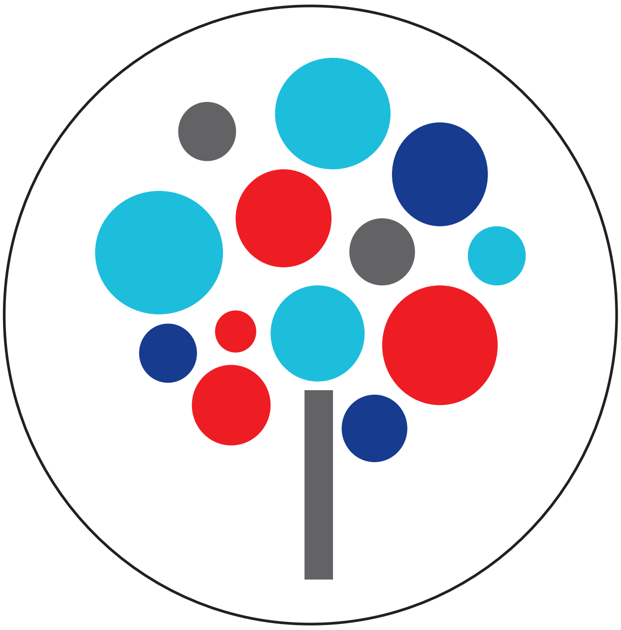
Any newly-created subsidiary or company joining the Group during the year is immediately covered by this Group-wide insurance plan under the same terms and conditions, up to specific revenue limitations.

The program operates on two levels:

- at the corporate level, there are worldwide insurance programs to cover the Group's main exposures;
- at the local level, subsidiaries have taken out insurance to comply with their local regulatory obligations, as well as coverage supplementing Group-wide insurance programs to cover their specific exposures.

The credit rating of the insurer is a key factor in the Group's choice of carrier.

In spite of the growth in revenues, the Group's cost of insurance coverage in 2015 remained stable on an invoiced and paid basis (including for local insurance programs) at €1,655,954, which included €1,532,704 in premiums.



2 CORPORATE SOCIAL RESPONSIBILITY

2.1 CSR for Ingenico Group

2.1.1 Commitments

Aware of the importance of sustainable development issues and the growing expectations of its stakeholders in terms of corporate social responsibility, Ingenico Group has further strengthened its approach. As such, the Group has developed a CSR policy and set up a dedicated function in line with its ambition to generate inclusive and transparent growth, built around increasingly innovative and reliable payment solutions.

This CSR policy, shared with all Ingenico Group employees, is based on five commitments, which they are invited to apply in their activities:

1. **Maintain responsible and ethical business practices**
   Ingenico Group is committed to following the highest environmental, labor rights, health, safety, and social justice standards in its relations with all its stakeholders and specifically through its supply chain management.
2. **Ensure the best level of security and safety when using Ingenico Group solutions**
   Protecting sensitive payment data is part of Ingenico Group's DNA. Ingenico Group also believes the protection of personal information and the respect to an individual's right to privacy are of utmost importance. It is dedicated to providing the most secure and safe payment solutions for its customers, their clients, its partners and other stakeholders.
3. **Grow along with Society**
   Ingenico Group is willing to develop its activities in harmony with its ecosystem. For this, it strives to develop regular and open dialogue with its stakeholders in order to foster collaborative innovation and meet the local market needs, with a specific focus on solutions that can advance financial transparency and inclusion.
4. **Control its environmental footprint**
   Ingenico Group is committed to the development of payment solutions that have a low impact on the environment. The Group also strives to minimize its environmental footprint resulting from the operations of its infrastructure and its sales and distribution channels.
5. **Develop a blooming Ingenico Group community**
   Ingenico Group strives to provide a workplace that maintains respectful relationships, and is safe, open and inclusive. CSR contributes to the global positive corporate culture that the Group intends to advance in order to enhance employee engagement, which is essential to drive improvements in the company's performance and to foster innovation.

Ingenico Group has signed up to the United Nations Global Compact, which also highlights its desire to further strengthen its commitment to sustainable development. Launched in July 2000 by UN Secretary-General Kofi Annan, the Global Compact is the leading global corporate social responsibility initiative. Under the Global Compact, Ingenico Group is committed to respecting and promoting its 10 core principles relating to human rights, labor standards, the environment and anti-corruption.

2.1.2 Strategy

Supported by BSR network (Business for Social Responsibility), Ingenico Group has carried out a materiality assessment to identify the most important issues in terms of its stakeholders' expectations and their impact on the Company's results.

This initial analysis showed that the most material issues for the Group are as follows:

- ensuring data privacy and transparency for the handling of this data;
- ensuring information security through the protection of sensitive data and systems to prevent security breaches and attacks;
- ensuring product safety for its users;
- reducing levels of or ensuring the absence of harmful or hazardous substances, as well as the traceability of materials used for manufacturing terminals;
- promoting diversity in its workforce at every level throughout the business;
- developing collaborative partnerships with its external stakeholders in order to promote topics such as the security of payment services and financial transparency or inclusion;
- maintaining ethical and responsible practices, including the protection of intellectual property;
- engaging the Group's various stakeholders in order to be aligned with their expectations and create value for them;
- managing its supply chain responsibly;
- ensuring the appropriate treatment of electronic waste from industrial operations and end-of-life products;
- improving the energy efficiency of its terminals.

Ingenico Group's CSR strategy, addressing these key issues, is based on the following four pillars:

- People;
- Environment;
- Corporate citizenship;
- Governance and management.

2.1.3 Organization

To structure its global CSR approach, Ingenico Group created a CSR function in 2015. Supported by a multidisciplinary CSR Core Team, with representatives from the main departments concerned, its main mission is to oversee the implementation of Ingenico Group's CSR strategy. To support this, a network of ambassadors is currently being set up. Its mission will be to promote CSR and roll out action plans in Group entities.

As employee engagement is decisive for the implementation of Ingenico Group's CSR strategy, a specific visual identity and a range of tools for raising awareness and building internal engagement are currently being developed and should be deployed in early 2016.

2.2 Reporting scope and method

2.2.1 General organization of Ingenico Group's corporate social responsibility (CSR) reporting

This report, for the financial year ended December 31, 2015, presents information on the environmental, social and societal impacts of the Ingenico Group's activities for the fourth consecutive year. In line with the Group's commitment to further strengthening the transparency of its activities and its responsible commitments, the CSR reporting scope is identical to the financial reporting scope, with the methodological limitations presented below. The report includes all the entities that are more than 50%-owned by Ingenico Group and that have more than 15 employees for the social and societal reporting framework, and sites with more than 15 employees for its environmental reporting. It covers all the information required by the implementing decree for Article 225 of the "Grenelle II" law and any exclusions are systematically justified.

The reporting framework covers 23 countries: Argentina, Australia, Belgium, Brazil, Canada, China, Colombia, France, Germany, India, Indonesia, Italy, Latvia, Mexico, the Netherlands, the Philippines, Russia, Singapore, Spain, Thailand, Turkey, the United Kingdom, and the United States.

The entities covered by the report generated more than 95% of Ingenico Group's revenue in 2015 and represented more than 97% of its workforce. For GlobalCollect, only the quantitative social and environmental data for the Netherlands are taken into account: The GlobalCollect entities with more than 15 employees that are excluded from the reporting process for quantitative data represent 1.8% of the Group's workforce.

The terms "Group" and "Ingenico Group" refer to all reporting entities covered in the scope of this report; certain temporary exclusions from the scope are specified below (see section 2.2.2.2 for social reporting and section 2.2.3.2 for environmental reporting).

The social, societal and environmental reporting process is described in the Group's 2015 CSR Reporting Protocol. This protocol presents the CSR reporting context and objectives, as well as the corresponding organization put in place by Ingenico Group. The description of the CSR reporting process includes a definition of the time frame, the scope, the levels of responsibility and control, as well as definitions, examples and various guidelines making it easier to understand the information that is expected for each indicator.

Ingenico Group's CSR reporting is managed by a project team that draws on a network of contributors throughout the Group's various entities. The majority of the CSR data is collected using questionnaires and a dedicated online interface. They are supplemented with data from the HR reporting system for the social section, data from the greenhouse gas emissions analysis for the environmental section, and information obtained through interviews. Data provided by the different contributors is then consolidated at Group level.

2.2.2 Social reporting

2.2.2.1 Definitions

Workforce

There are four types of employment contracts:

- permanent employee: employees holding an Ingenico Group employment contract with an indefinite term and paid via an Ingenico Group pay slip;
- fixed-term contract: employees holding an Ingenico Group employment contract with a fixed term, for which the salary is established via an Ingenico Group pay slip. This category also includes apprenticeship and professional development contracts, as well as paid internships;
- temporary worker: a person who is physically present at Ingenico Group's offices, provided by an outside company for a short and predetermined time period to replace an Ingenico Group employee;
- outsourced worker: a person who is physically present at Ingenico Group's offices, provided by an outside company for a predefined service and time period established by a contract with Ingenico Group.

Organized training

Training refers to all types of training, with or without certificates, by the Company or external providers, but excludes e-learning and internal coaching.

Absenteeism

Absenteeism refers to cases when employees are absent from the workplace due to being incapacitated. This definition does not include authorized absences, such as paid leave, public holidays, maternity or paternity leave, study-related leave and leave for family reasons.

However, the following absences fall within the scope of absenteeism:

- absences due to ordinary illness;
- absences following an occupational accident;
- absences due to occupational illness;
- unjustified absences.

The absenteeism rate is a ratio that can be expressed as:

$$\frac{\text{Number of days of absence during a given time frame x 100}}{\text{Number of scheduled workdays during that same time frame x Number of employees}}$$

Telecommuting

Telecommuting, or remote working, is an arrangement in which employees do not commute to a central place of work. This report only takes into account time spent telecommuting under amended employment contracts.

Part-time work

Part-time refers to cases when employees work for less than the statutory or standard working time. It is calculated by dividing the actual hours worked by the total number of statutory working hours, in accordance with the laws defined by a country's government. This information is included in the contracts of employees.

2.2.2.2 Scope of reporting

The social reporting scope includes all the entities that are more than 50%-owned by Ingenico Group and that have at least 15 employees. The countries covered are listed in section 2.2.1. For social reporting purposes, they are consolidated based on the Group's seven organizations: APAC & ME (Asia-Pacific and Middle-East), Europe & Africa, LAR (Latin America), NAR (North America), e-Payments, Technology & Platforms and Central Operations (Ingenico Group holdings).

To make it easier to compare the workforce figures for 2014 and 2015, the 2014 staffing levels have been reallocated in line with the Group's reorganization in 2015, when the Regions were also renamed:

- APAC & ME covers the entities from the former APAC & China region, as well as Turkey, which was part of the EMEA Region in 2014 ;
- Europe & Africa covers the 2014 EMEA entities and some of the SEPA entities (UK, France, Spain, Italy, Eastern Europe, Germany and Africa) ;
- ePayments primarily covers the transaction activities managed by the E-COMM and Global Collect entities ;
- Technology & Platforms is a "Region" that primarily covers the activities of Ingenico Group's various platforms.

No change for the LAR, NAR and Central Operations Regions.

However, the workforce-related data are provided for all Group entities, including those with less than 15 employees.

The countries that are excluded because they do not have any entities with more than 15 people are as follows: Austria, Chile, Czech Republic, Hungary, Malaysia, Morocco, Poland, Portugal, Serbia, Switzerland and Vietnam.

Lastly, the data for certain indicators could not be provided by all the entities: these exclusions are listed below.

Indicators	Exclusions
Average number of hours of training per employee	India, Russia (5.5% of the workforce at December 31, 2015)
Absenteeism	Canada, Mexico, Russia (5.2% of the workforce at December 31, 2015)
Number of occupational accidents and illnesses	India, Indonesia, Russia (7.5% of the workforce at December 31, 2015)
Telecommuting	India, Indonesia, Russia (7.5% of the workforce at December 31, 2015)

2.2.3 Environmental reporting

2.2.3.1 Definitions

The greenhouse gas (GHG) emissions generated directly or indirectly by an entity can be classified into different categories of emissions, known as "scopes":

Scope 1: direct GHG emissions from sources that are owned or controlled by the entity. Scope 1 can include emissions from fossil fuels burned on site, emissions from vehicles owned or leased by the entity, and other direct sources.

Scope 2: indirect GHG emissions resulting from the generation of electricity, heating and cooling, or steam generated off site but purchased by the entity.

Scope 3: indirect GHG emissions from sources not owned or directly controlled by the entity, but related to the entity's activities. Scope 3 can include emissions from the extraction and production of purchased materials, transport-related activities not owned or controlled by the entity, outsourced activities, waste disposal, etc.

2.2.3.2 Scope of reporting

The environmental reporting scope covers the sites with more than 15 employees located in the 23 countries listed in section 2.2.1.

The countries that are excluded because they do not have any sites with more than 15 people are as follows: Austria, Chile, Czech Republic, Hungary, Malaysia, Morocco, Poland, Portugal, Serbia, Switzerland and Vietnam.

For this scope, only the water consumption indicator has been excluded due to a lack of information gathered by certain Ingenico Group sites. These exclusions, are as follows:

Indicator	Exclusions
Water consumption	Indonesia, the Netherlands, Russia, Singapore, Thailand and the United Kingdom (17.8% of the workforce at December 31, 2015)

All indicators are published on a like-for-like basis in order to compare data from one year to the next. This makes it possible to assess changes in performance over time.

2.2.3.3 Restatement of 2014 data

Some of the 2014 data has been retroactively corrected when the discrepancy between the correct value and the value previously reported was above 5% over the entire reporting scope. In these cases, the 2014 data that was restated and published in this report, as well as the sites/countries behind the corrections, are noted as such.

2.2.3.4 Accounting for greenhouse gas (GHG) emissions

2.2.3.4.1 Methodology

The methodology used for calculating greenhouse gas (GHG) emissions across Ingenico Group's entire value chain is based on the GHG Protocol international frame of reference. The emission sources included in the calculation of GHG emissions are listed in section 2.5.4.2 entitled "Analysis of greenhouse gas emissions".

The three main sources of GHG emissions have been estimated as follows:

- component production: the GHG emissions have been estimated on the basis of the average weight of the main components representing more than 90% of the total weight of terminals (plastics, printed circuit board, printer, display, cables, battery, keyboard, packaging, thermal paper and user guide). Measurements have been taken for the three most representative terminals produced in 2015;
- energy consumption of the terminals: the GHG emissions have been estimated on the basis of the total consumption of electricity over the year 2015 for all terminals installed on the market. Measurements according to given use cases have been taken for the three most representative terminals used on the market in 2015;
- receipt printing (transportation and consumption of the thermal paper): the GHG emissions have been estimated on the basis of the total consumption of thermal paper over the year 2015 for all terminals (with printer) installed on the market.

In 2015, the GHG emissions assessment was carried out based on the data collected for 2015, but for some data, extrapolations were made on the basis of data for 2014. These extrapolations represent less than 0.2% of the GHG emissions assessed in 2015.

2.2.3.4.2 Emission factors used

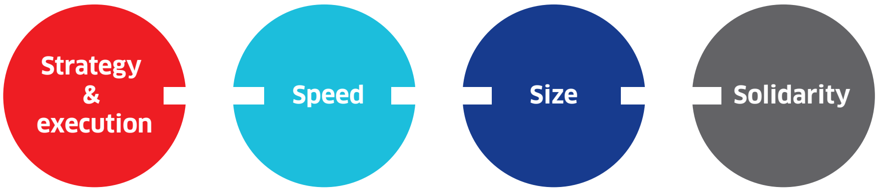
The emission factors used to quantify the GHG emissions come primarily from two sources: the GHG Protocol, particularly for business and international travel; and the Base Carbone® (available from November 2015) from the ADEME (the French Environment and Energy Management Agency) for the energy consumption of terminals, the impact of thermal paper and a portion of component production. The emission factors from the Ecoinvent database (EI 3.1) were also used for the portion related to component production.

2.3 The Ingenico Group community

2.3.1 Introduction

As a technology firm in a highly competitive sector, Ingenico Group needs to be at the forefront of innovation and develop its agility in order to ensure its success.

To achieve this, Ingenico Group has focused its teams on four core values – Strategy & Execution, Speed, Solidarity and Size – enabling it to ensure their engagement and unite a community of talents around a strong culture.



Ingenico Group has also set itself a goal to create a motivating workplace environment, based around four dimensions: Meaning, Respect, Skills and Recognition.

This approach supports Ingenico Group's ambition to attract and retain the best talents, while promoting a diverse workforce: Ingenico Group is preparing to meet the challenges involved with an ever-changing industry.

2.3.2 A dynamic workforce, reflecting Group health

In the last five years, Ingenico Group has seen strong growth in its workforce, up from 2,830 employees in 2010 to nearly 6,000 by the end of 2015.

Total headcount per country (permanent & fixed-term contracts)

With 75 nationalities, Ingenico Group is a highly diverse company and its increasingly international development is a source of both pride and strength.

Ingenico Group's total workforce increased by 8% between 2014 and 2015, with 5,943 people at December 31, 2015. This increase is linked to the Group's organic growth.

	2014		2015	
Country	**Total**	**%**	**Total**	**%**
China	1,382	25.1%	1,508	25.4%
France	927	16.9%	989	16.6%
Germany	515	9.4%	549	9.2%
Netherlands	367	6.7%	410	6.9%
US	306	5.6%	359	6.0%
United Kingdom	322	5.9%	334	5.6%
Belgium	263	4.8%	299	5.0%
Brazil	179	3.3%	170	2.9%
Russian Fed.	139	2.5%	167	2.8%
India	140	2.5%	159	2.7%
Italy	100	1.8%	145	2.4%
Turkey	124	2.3%	133	2.2%
Spain	120	2.2%	120	2.0%
Indonesia	183	3.3%	119	2.0%
Canada	90	1.6%	95	1.6%
Australia	79	1.4%	75	1.3%
Singapore	64	1.2%	63	1.1%
Other	201	3.7%	249	4.2%
TOTAL	**5,501**	**100.0%**	**5,943**	**100.0%**

Workforce per region at December 31, 2015 (breakdown between permanent and fixed-term contracts)

	2014			2015		
Region	Permanent	Fixed-term	Total	Permanent	Fixed-term	Total
APAC & ME	1,480	478	1,958	1,654	393	2,047
Europe & Africa	1,287	26	1,313	1,401	52	1,453
LAR	246		246	251		251
NAR	272		272	423	3	426
ePayments	436	87	523	548	13	561
Technology & Platforms	426	34	460	501	3	504
Central Operations	702	27	729	670	31	701
TOTAL	**4,849**	**652**	**5,501**	**5,448**	**495**	**5,943**

Workforce by gender

The proportion of women within Ingenico Group increased by 1.1 points in 2015 to represent 27.2% of the total workforce, with 1,619 women out of a total of 5,943 employees.

	2014			2015		
Region	Women	Men	Total	Women	Men	Total
APAC & ME	337	1,621	1,958	370	1,677	2,047
Europe & Africa	471	842	1,313	510	943	1,453
LAR	88	158	246	90	161	251
NAR	105	167	272	136	290	426
ePayments	196	327	523	230	331	561
Technology & Platforms	66	394	460	71	433	504
Central Operations	197	532	729	212	489	701
TOTAL	**1,460**	**4,041**	**5,501**	**1,619**	**4,324**	**5,943**
	26.5%	**73.5%**	**100%**	**27.2%**	**72.8%**	**100%**

Workforce by age range

The average age of Ingenico Group employees is 37.6, relatively stable year-on-year.

	2014				2015			
Region	< 30	30 to 50	> 50	Total	< 30	30 to 50	> 50	Total
APAC & ME	886	1,027	45	1,958	888	1113	46	2,047
Europe & Africa	183	882	248	1,313	231	950	272	1,453
LAR	52	176	18	246	53	177	21	251
NAR	31	160	81	272	67	242	117	426
ePayments	121	352	50	523	113	398	50	561
Technology & Platforms	44	348	68	460	37	387	80	504
Central Operations	87	496	146	729	74	485	142	701
TOTAL	**1,404**	**3,441**	**656**	**5,501**	**1,463**	**3,752**	**728**	**5,943**
	25.5%	**62.6%**	**11.9%**	**100%**	**24.6%**	**63.1%**	**12.2%**	**100%**

Temporary workers and outsourcing

The requirement for outsourced workers dropped slightly between 2014 and 2015. This primarily concerns application development, call center, maintenance and repair work.

	2014			2015		
Region	Outsourced workers	Temporary workers	Total	Outsourced workers	Temporary workers	Total
APAC & ME	110	23	133	160	30	190
Europe & Africa	126	222	348	153	236	389
LAR	195		195	171		171
NAR	212	91	303	145	92	237
ePayments	29	2	31	17	16	33
Technology & Platforms	69	79	148	71	39	110
Central Operations	114	4	118	130	7	137
TOTAL	**855**	**421**	**1,276**	**847**	**420**	**1,267**

2.3.3 Optimal working conditions

Ingenico Group commits to ensuring optimal working conditions for its people by creating a respectful, fair and motivating environment.

2.3.3.1 Organization of working hours

Breakdown of full-time and part-time contracts

The percentage of part-time staff remained stable between 2014 and 2015, representing just under 4% of Ingenico Group's total workforce.

	2014			2015		
Region	Full-time	Part-time	Total	Full-time	Part-time	Total
APAC & ME	1,917	41	1,958	2,036	11	2,047
Europe & Africa	1,247	66	1,313	1,361	92	1,453
LAR	246		246	251		251
NAR	271	1	272	424	2	426
ePayments	485	38	523	513	48	561
Technology & Platforms	437	23	460	478	26	504
Central Operations	695	34	729	667	34	701
TOTAL	**5,298**	**203**	**5,501**	**5,730**	**213**	**5,943**
	96.3%	**3.7%**	**100%**	**96.4%**	**3.6%**	**100%**

2.3.3.2 Health and safety

Eight Group entities have set up health and safety committees, representing 100% of their respective workforces and 36% of all the Group's employees at December 31, 2015. These committees, which help protect the health and safety of the Group's employees, contribute towards improving working conditions, while ensuring compliance with legal requirements.

In 2015, 63 occupational accidents were recorded, with 71% classed as minor accidents and 29% as road traffic accidents. The Group recorded an absenteeism rate of 1.78% in 2015, compared with 1.66% for 2014. No occupational illnesses were recorded in 2015.

As the safety of its employees is essential, in 2015 the Group launched a business travel safety policy and rolled out a travel and expatriation risk prevention system, particularly in countries classed as high risk.

Ingenico Group has set up:

- a travel approval procedure, which defines the various steps prior to departure;
- a system to regularly monitor threats and a ranking of risky countries, providing information for employees on the political and social climate in the various countries and regions, with a color coding system and a map of the world;
- a training program for employees on the various steps to take in the event of incidents;
- a 24-hour hotline service for all employees on international assignments.

In 2015, this system was deployed for the Europe & Africa Region, which includes certain risky regions. Its global deployment is planned for 2016.

2.3.3.3 Anti-Discrimination practices

Equal opportunity based on merit and skills represents one of the founding principles for Ingenico Group's Code of Ethics and Business Conduct. This affirms the Group's determination to provide and maintain a working environment that protects the dignity of all and ensure the prohibition of discrimination and sexual harassment or bullying. It explicitly states that no discriminatory practices based on race, nationality or ethnic origin, color, religion, age, gender, sexual orientation, marital status, disability or conviction having been perdoned will be tolerated.

Alongside the Group's global commitments, initiatives are carried out locally. For instance, in Germany, Ingenico Group has set out its commitment to workplace equality (AGG) by introducing a procedure to be signed by each employee, while the Group's Canadian entity has produced a Human Rights Code and Employee Handbook.

In Spain, a specific committee has been set up and a campaign carried out to raise awareness about harassment.

The Group, which had 31 disabled employees in 2015, is committed to supporting the recruitment and integration of disabled people through various local initiatives. For instance, in the United States, an action plan has been launched to promote this, while in China, dedicated job offers are published for disabled people. In 2016, Ingenico Group will launch new initiatives to tackle discrimination, including advertising open positions on dedicated job portals for disabled people.

2.3.3.4 Efforts to promote gender equality at work

In a business sector with a strong technological component, where men are traditionally more represented than women, Ingenico Group is committed to supporting gender equality through various actions; this is reflected in a 1.1 point increase in the percentage of women in the Group's workforce.

In France, the Company continued moving forward in 2015 with its voluntary action plan promoting gender equality at work. This plan covers recruitment, training and remuneration, as well as work-life balance aspects. The Company offers prepaid vouchers to cover the costs of services such as childcare or cleaning, as well as places in inter-company childcare facilities. In terms of remuneration, the objectives set for employees when they return from maternity, paternity, adoption or parental education leave take into consideration their actual presence during the year.

In addition to these actions, the French entity endeavors to include female candidates on the shortlists for all its positions. In 2015, this made it possible to increase the number of women hired for technical positions by 2%.

Policies for equal gender treatment are also in place in several Ingenico Group entities, including Australia, France, the UK, Germany, Canada and the United States.

2.3.3.5. Telecommuting

The Group continues to develop and support telecommuting, primarily on an ad hoc basis, supported by appropriate policies and systems. In 2015, a certain number of the Group's entities offered possibilities for their employees to work from home.

In 2015, 177 employees took up this option to work from home, primarily in Germany, France and the US. Employees who choose to telecommute primarily work in sales and marketing functions (46%) or research and development (28%).

2.3.4 Developing a highly talented and diverse workforce

With its ambition to establish itself as a world leader in its industry, Ingenico Group has rolled out an ambitious human resources policy aiming to develop talented, motivated, engaged and diversified teams.

Ingenico Group focuses significant effort on attracting the best talents by building lasting relationships with universities, business and engineering schools, as well as by continually tracking social networks, job post boards and online blogs in search of suitable candidates. In 2015, Ingenico Group hired a campus manager, particularly to develop a network of target schools, raising student awareness of the professional opportunities available with Ingenico Group.

The Group is also rolling out its external recruitment policy on social media, particularly with its LinkedIn and Twitter accounts, which enabled it to recruit 50% of new staff in 2015. This positioning will be further strengthened in 2016 with the definition of a dedicated employer brand.

As Ingenico Group continues to grow and expand, its employees are offered increased opportunities for dynamic career development, with certain roles available overseas. In 2015, to promote internal and international mobility, the Group launched a HRIS module making it possible to manage the entire internal recruitment process and advertise open positions throughout the Group. Following a pilot operation in three countries, the Group intends to ramp up this project.

In France, the "generation contract" system has been introduced, setting a target for 20% of recruits in 2015 to be under the age of 29.

2.3.4.1 Hiring and Departures

Hiring

Hiring levels increased primarily in the NAR Region, where recruitments doubled, mainly for the Ingenico Inc. entity in the US (thanks to its positioning and market share growth in 2015). Europe & Africa also recorded an increase, up 22.4%. 81% of all new hires have permanent contracts.

	2014			2015		
Region	**Permanent**	**Fixed-term**	**Total**	**Permanent**	**Fixed-term**	**Total**
APAC & ME	327	177	504	343	120	463
Europe & Africa	190	47	237	232	58	290
LAR	58		58	51		51
NAR	68	2	70	142	3	145
ePayments	304	94	398	144	18	162
Technology & Platforms	146	34	180	98	8	106
Central Operations	132	53	185	87	49	136
TOTAL	**1,225**	**407**	**1,632**	**1,097**	**256**	**1,353**

Departures

	2014			2015		
Region	**Permanent**	**Fixed-term**	**Total**	**Permanent**	**Fixed-term**	**Total**
APAC & ME	238	160	398	208	166	374
Europe & Africa	117	36	153	122	23	145
LAR	45		45	46		46
NAR	63	2	65	74		74
ePayments	44	7	51	102	29	131
Technology & Platforms	15	4	19	41	9	50
Central Operations	27	35	62	57	34	91
TOTAL	**549**	**244**	**793**	**650**	**261**	**911**

Reasons for leaving

Dismissals accounted for 12% of the reasons for leaving Ingenico Group in 2015, down slightly from 12.5% in 2014. The APAC Region (China, Indonesia, India and Singapore) accounted for 43% of resignations, while the US represented 16%.

	2014	2015
Resignation	434	458
Dismissal	99	110
End of fixed term contract	175	247
Sale	-	-
By mutual agreement	39	32
Redundancies	16	17
End of probationary period (by employer)	6	18
All others	24	29
TOTAL	**793**	**911**

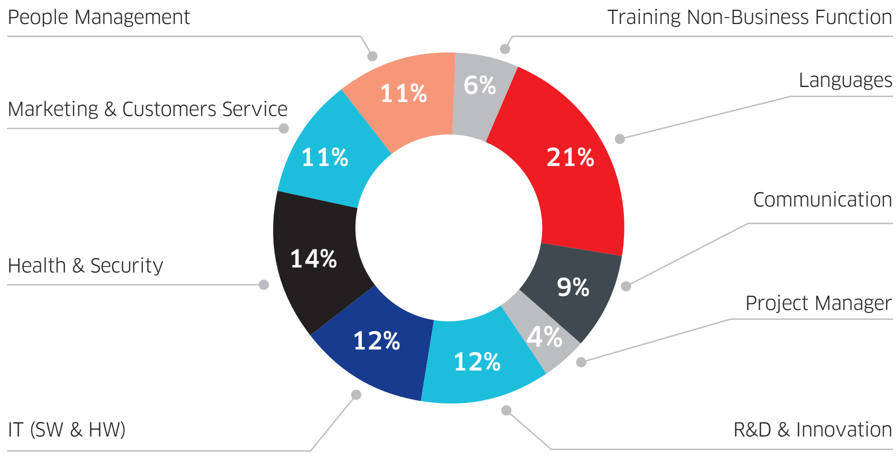
2.3.4.2 Diversifying skills and career management

In order to support the development of the skills that the Company needs to secure its growth, Ingenico Group launched a new e-learning platform in 2015. This platform offers an extensive catalog of diverse programs enabling new hires to quickly find information on the Company, while raising employee awareness in general on security issues and training up developers on new software and managers on managerial techniques. This e-learning solution will be further strengthened with specific modules on the Company's business lines, ensuring an effective response to local development needs.

Its teams' skills are key to the Group's success. It is the Group's responsibility to manage and develop them. In 2015, an initial mapping process was launched to identify employees' technical skills in the Technology and Platforms entity, aiming to optimize resource management, succession planning and recruitment. This is scheduled to be rolled out for all the Group's entities by 2017.

Areas for training in 2015

In 2015, a total of 58,023 hours of training were given to employees in the Group's entities, with an average of 12 hours per employee.



In total, 8,603 training courses were provided in 2015. The main areas for training were as follows: technical programs (R&D and innovation, IT software and hardware), language skills (primarily English), health and safety, marketing and customer service, human resources management and communications (knowledge sharing tool).

In line with the Group's growth, it needs to continuously develop its managerial capabilities around the world. In 2015, the Group stepped up its efforts in this area: in France, this involves defining a series of modules to further strengthen fundamental management skills. In the UK, Italy, Spain, Brazil and the Netherlands, managers were trained up on Ingenico Group's "4S" values. In the US, the implementation of a mentor-mentee program has been a major success.

2.3.4.3. Employee compensation and recognition

Ingenico Group's employees and their commitment are crucial to its success.

To sustainably support this dynamic approach, the Group's compensation and benefits policy is based on three core principles.

- An attractive and fair compensation policy. Compensation packages that are benchmarked with Ingenico Group's market and positioned in-house to ensure fair pay within the Group.
- A compensation policy aiming to support and recognize each individual's contribution to the Group's performance. This is achieved through annual pay review campaigns and a bonus policy governing the process for the setting and achievement of individual annual objectives.
- A responsible compensation policy, aiming to offer welfare benefits for all the Group's employees in line with local practices and regulations.

In most countries, these three core principles are tailored to local parameters and markets, such as social legislation and legal assessments, as well as economic, labor market and competition conditions.

Since 2014, Ingenico Group's annual performance review process has benefited from a more relevant, simplified model. In addition to reviewing performance and achievements and discussing career development plans, it now provides an opportunity to exchange insights on how employees can incorporate the 4S approach into their day-to-day activities, firmly establishing the Group's values in their professional experience.

To ensure that Ingenico Group is able to grow successfully, it is essential to effectively recognize the talents and achievements of its employees in order to engage them in the Company's long-term objectives and stock market performance, particularly through its long-term compensation approach based on awarding Company performance shares.

2.3.5 Open dialogue with Ingenico Group's teams and employee organizations

To ensure its continued success in a highly competitive industry, Ingenico Group needs to maintain open, fluid communications between its various components.

2.3.5.1 Employee engagement

Ingenico Group regularly engages with its employees through dedicated communications tools.

In 2015, alongside the internal social network "Connections", a new collaborative platform "eShare" was launched, with "project" and "team" spaces to encourage collaborative work, structure document management and capitalize on knowledge within the Group. Within five months of its launch, more than 200 spaces had been created on eShare. In 2016, Ingenico Group's global intranet portal will be overhauled, centralizing access to day-to-day tools within one dedicated interface in order to improve the user experience and simplify access to information.

In June 2015, Ingenico Group launched an internal engagement survey: People In. Covering 4,500 of its employees, the global participation rate came to over 78% of the Group's employees: a very good result, highlighting employees' commitment to building the Group and ensuring its success. Among other features, this survey identified a number of strengths: employees' confidence in the Group's strategy, their pride at being part of the Group, their customer-centricity and their positive perception of working conditions. Lastly, action plans have been drawn up to continue improving the Group's workplace environment and create the conditions for increasingly strong levels of engagement among all employees.

2.3.5.2 Social dialogue

Labor relations are an important aspect of Ingenico Group's Human Resources Policy. The Group respects the freedom of association and the right to collective bargaining. Any employee may establish or join a trade union of their choice. The Group also recognizes and respects the right of employees to be represented by their trade union(s) and believes in maintaining a constructive dialogue with employee representatives and trade unions based on mutual respect, responsibility and honoring of commitments.

A number of Ingenico Group's subsidiaries have active employee representative bodies in place: 37.5% of Ingenico Group's total workforce are covered by collective bargaining agreements; 36.5 percent have access to works councils, and 24 Group entities have a site-level works council.

The entities in Russia, Italy, France, Germany, Spain, Brazil and the Netherlands are covered by collective bargaining agreements; the entities in France, Germany, Spain and the Netherlands also have works councils.

In France, a three-year profit-sharing bonus agreement was signed in 2015. Elections of staff representatives have been organized with an electronic voting process, which required agreements to be negotiated beforehand on electronic voting and the pre-election memorandum of agreement. Amendments have also been signed for the healthcare costs and benefits agreements.

2.4 Ingenico Group's contribution to society

2.4.1 Introduction

As a global group growing in influence and impact, Ingenico Group is increasingly committed to managing the societal impacts that stem from its operations, products and business relationships.

The Group's strategy and actions are focused primarily on the following areas:

- maintaining and further strengthening professional ethics, preventing all forms of corruption and ensuring respect for human rights;
- ensuring compliance with privacy protection for users of its solutions;
- ensuring product safety for its users;
- contributing to the development of financial inclusion and transparency;
- developing responsible practices within its supply chain;
- engaging stakeholders.

2.4.2 Promoting ethical business practices and respect for human rights

Ingenico Group is committed to ensuring that all its operations are conducted with honesty, integrity and the utmost respect for human rights across the globe. No incidents relating to corruption or human rights were reported in 2015.

2.4.2.1 The Code of Ethics and Business Conduct

The Group's scrupulous ethical commitments are laid out in its Code of Ethics and Business Conduct, which is designed to create common principles that comply with all applicable laws and regulations. This is made available to all Ingenico Group employees in all the countries in which it operates.

The Code of Ethics and Business Conduct covers a broad range of topics that Ingenico Group believes are vitally important to the ethical running of the Group: protecting the environment, its employees' fundamental human rights (equal opportunities, prohibition of sexual or moral harassment, prohibition of child and forced labor, occupational health and safety, freedom of association and collective bargaining) and good corporate governance rules.

For Ingenico Group, it is vital that its rigorous ethical culture is fully understood and put into practice throughout the Group. The Code of Ethics and Business Conduct is available in all the languages used by the Group's employees (French, English, Chinese, Spanish, Turkish, German, Dutch, Russian, Portuguese, Italian and Indonesian) and has been supplemented with a gifts and hospitality policy.

Building on this approach, Ingenico Group carried out a campaign in 2015 to assess employees' knowledge of the Code, followed by training sessions in all the countries where this assessment did not reach the levels expected. As such, 2,200 employees received training in 2015.

New collaborative tools have also been rolled out to promote the Code, establish a Group-wide culture and facilitate the process for escalating information on topics covered by the Code. The Code of Ethics and Business Conduct is available on the Group intranet and its website at http://www.ingenico.com/fr/presse-et-publications/librairie/Types/type18.

If any Ingenico Group staff members or stakeholders wish to report any grievances or suspicions, the procedure to follow is clearly laid out in the Code of Ethics and Business Conduct, with details of the relevant members of staff to be contacted (*whistle-blowing procedure*). To take specific local or cultural features into consideration and ensure that the procedure is effective and efficient, new tools were rolled out in 2015, including a list of local contacts for compliance-related issues and an anonymized web form.

Ingenico Group has also set up an online Compliance Library, providing access to various resources and guidance on compliance issues for employees, including information on relevant regulations.

2.4.2.2 Membership of the United Nations Global Compact

Ingenico Group chose to formally set out its commitment to developing in line with internationally recognized ethical guidelines by joining the world's largest initiative for sustainable development in 2015. Each year, Ingenico Group will report on the progress made in respecting and promoting each of the Global Compact's 10 principles relating to human rights, international labor standards, the environment and anti-corruption. This annual Communication On Progress report will be available on the Global Compact's website (www.unglobalcompact.org).

As an extension to its support for the UN Global Compact, Ingenico Group is a member of its French network: Global Compact France.

2.4.2.3 Other initiatives promoting ethical practices

Ingenico Group has set up an internal policy to check the integrity of its service providers, further strengthening the resources deployed to combat corruption, fraud and any other illegal or unethical practices.

In addition, some of the Group's entities have taken relevant measures in line with their local environment to supplement the Group's Code of Ethics and Business Conduct, such as external whistle-blowing hotlines in countries where this is permitted, or training programs to tackle sexual harassment in high-risk countries.

For instance, the GlobalCollect entity has set up an external whistle-blowing hotline. It has also launched training programs on the Code of Ethics, anti-corruption and anti-money laundering measures.

In China, the Landi entity has set up an Anti-fraud Committee, as well as a policy and hotline for reporting unethical or illegal practices, particularly for corruption-related issues. An anti-fraud training plan, launched for the Anti-fraud Committee and part of the management team, will be ramped up in 2016 to cover all middle managers and most employees. The anti-fraud policy, currently mentioned in various internal documents, will be covered by a dedicated document, which will be distributed in 2016.

The Canadian entity follows the Canadian Human Rights Code. It has also put in place its own code of ethics and conduct rules as part of its employee handbook.

In the Philippines, an employee handbook, including a Code of Conduct, has been introduced alongside the Group's Code of Ethics and Business Conduct and its gifts and hospitality policy.

In the United Kingdom, specific whistle-blowing and anti-corruption policies have been rolled out. This approach will be further strengthened with a computer-based training program in 2016.

In line with local regulations, a Reconciliation Committee has been set up to tackle sexual harassment in India, while a supervisory body has been created in Italy to report unethical or illegal behavior.

Lastly, in Australia, 32% of employees received anti-corruption training in 2015.

2.4.3 Data privacy

Data protection and respect for privacy are of utmost importance to Ingenico Group. That is why a data privacy policy, covering all Group entities, was rolled out in 2015, supplementing the local policies that were already in place. Each of these local policies is drafted to reflect a sensitivity to local laws and culture, and reinforce Ingenico Group's strong commitment to privacy.

In addition to these policies, a number of measures have been taken locally. For instance, the entity in Germany has an e-learning module on personal data protection and a clean desk policy. In Spain, external audits are carried out every two years to ensure that personal data is suitably protected.

In 2015, Ingenico Group drew up a global inventory of its systems for collecting, storing and using personal data in order to ensure compliance with Group rules and local regulations for protecting personal data. A list of the personal data protection officers in the Group's various entities has also been made available on the Intranet's new Compliance section.

A dedicated training program on data privacy regulations is planned for 2016 in order to raise staff awareness on this issue.

2.4.4 Protecting the health and safety of customers and users

To protect the health and safety of its customers and the end users of its solutions, Ingenico Group provides them with detailed user guides that include, for example, information on terminal emissions and voltage levels, in line with the regulations in force in the various countries.

Ingenico Group's environmental requirements for its suppliers and subcontractors concerning the composition of its terminals also help protect user health and safety.

In addition, Ingenico Group is committed to rigorously testing its products and applications, not only during research and development phases, but also when terminals are sent for repair.

Training is also provided on the health and safety aspects of products, particularly for staff in customer contact centers.

In Canada, Ingenico Group's local health and safety policy also covers its customers and suppliers, in accordance with the Ontario Health & Safety Act.

Lastly, the safety measures in place at the Group's various sites make it possible to protect both employees and visitors. In Belgium, for instance, safety guidelines are provided to all visitors.

2.4.5 Solutions for financial transparency and inclusion

Ingenico Group develops products and solutions for financial transparency and inclusion that are customized to meet local market needs. By providing highly accessible electronic payment services, the Group helps make financial services more widely available in emerging economies and strengthens fraud risk management in both developed and developing economies.

2.4.5.1 Solutions for transparency and traceability

Electronic payments make a significant contribution towards reducing fraud. Based on this observation, Ingenico Group has launched solutions to improve the traceability of monetary transactions and the transparency of the financial system in line with the needs of governments to combat fraud.

Ingenico Group offers secure solutions enabling transactions to be recorded for tax purposes on payment terminals. Each solution implemented is tailored to local regulations, as illustrated by the offers created for Turkey, Italy and Croatia.

The solution designed for Turkey enables merchants' transactions to be reported to the tax authorities in real time. At the point of sale, the terminal supplied to merchants combines cash register, payment and printer features. All the merchants' card or cash sales are stored indelibly in a fiscal memory and electronic sales register, enabling the authorities to have better control over financial transactions and combat VAT fraud. This development was introduced after the adoption of a law in 2012 requiring all merchants to have a payment terminal with a fiscal module connected online to the Ministry of Finance. At the time, Radisson Blu Şişli Hotel, one of the nine Radisson Blu Hotels in Turkey, wanted to set up a payment solution that met the new legal requirements. Ingenico Group therefore worked with Radisson Blu to implement its iWE280 solution. Since this first initiative, Ingenico Group has extended its range of financial traceability solutions with a new product, the IDE280, to cover larger numbers of merchants. The potential replacement market is estimated at 2.4 million updated and secured ECRPOS devices, which highlights the stakes involved with such a solution for Turkey.

In Italy, the Company launched a fiscal solution aligned with local regulations based on the same products in 2015.

As a further example of its commitment in this area, the Group launched an innovative fiscal solution in 2013 for a Croatian customer, Hrvatski Telekom, to equip its own customers in line with this country's new legislation. Ingenico Group developed an all-in-one cash register solution that combines the Group's latest generation of payment terminals with a fiscal application developed by Croatian electronic payment transaction system specialist Etranet Group. The solution was embraced by Hrvatski Telekom's customers, making the new solution one of its most popular ICT services.

The phenomenon is progressing. Other solutions are expected to be deployed in other countries over the coming years, in line with the regulations adopted.

2.4.5.2 Solutions for financial inclusion

Financial inclusion, defined as a series of arrangements to combat banking exclusion, is an essential factor for societal integration. Because of the limited number of bricks-and-mortar branches in developing countries and the high cost and complexity of banking services, two billion people are still excluded from financial services.

In this context, Ingenico Group's mobile payment solutions help make financial services more widely available and affordable to the unbanked, supporting the shift from a cash-based environment to a cashless ecosystem.

In West Africa, Ingenico Group has been rolling out a simple payment solution since 2013 in partnership with eMoney, making it easier to access and use banking and financial services. This solution, which enables money transfers, bill payments and banking services, as well as the sale of mobile phone top-up credit, has been launched in several countries including Benin, Ivory Coast, Burkina Faso, Niger, the Republic of the Congo (Brazzaville), Cameroon, Togo and Guinea. The solution is easy to install on Ingenico Group's iWL mobile terminals and offers simple, secure transactions, while giving families access to financial services at a lower cost. In 2015, nearly 6,000 money transfer and bill payment transactions were carried out each day using this solution in Benin, Cameroon and Niger, for amounts ranging from 100 CFA francs (€0.15) to 5,000,000 CFA francs (€7,625). In addition, the mobile savings collection and account opening initiative, which has been underway for nearly two years with a Cameroon-based microfinance institution (MFI), is delivering conclusive results. In 2015, the average daily figure for account openings was 11, while money deposits came to 345, with an average amount of 8,929 CFA francs (€13.73).

In 2015, Ingenico Group also continued its strategic partnership with Tagattitude, an innovative mobile money solutions firm, to advance financial inclusion and democratize access to financial services in Africa. Tagattitude's mobile money platform, "TagPay", provides access to a number of payment services via a mobile phone that are secure and more accessible to the unbanked.

In East Africa, Ingenico Group provides branchless banking technology for local banks looking to expand their customer base to include unbanked populations in rural areas, through a network of "agents" recruited among local merchants and trained by the bank. Using a mobile device, "agents" can register new customers, activate their cards and enable them to make deposits or withdraw money. This branchless banking solution is enabling financially excluded people to access banking services in remote areas, with lower costs, thereby overcoming the barriers of geographic access and basic financial knowledge and language skills.

In South Africa, Ingenico Group has set up a welfare benefits payment system with its partner Net1. This solution, based on the use of biometric terminals, aims to tackle the issues of fraud and identity theft. Every month, the beneficiaries visit a government agent, identify themselves with their digital fingerprint and receive their benefits directly on their bank cards. This system has been a major success, with 10 million beneficiaries to date.

Ingenico Group's commitment to financial inclusion in Africa was recognized with three Kalahari Awards at the Mobile Money Expo event in 2015, including the award for the best financial inclusion platform. These awards recognize creativity, engagement and excellence in mobile financial services across Africa.

2.4.6 Supply chain management

With the exception of one of its Chinese sites, the production of all Ingenico Group terminals is outsourced. Today, terminal purchases represent over 80% of the Group's total volume of purchases, all activities combined. That is why Ingenico Group is particularly committed to ensuring the responsible management of its terminal supply chain, with regard to both social and environmental impacts.

2.4.6.1 Social and environmental impacts

2.4.6.1.1 Terminal assembly

Ingenico Group's two Tier 1 suppliers, called EMS (Electronic Manufacturing Services), in charge of assembling its payment terminals, are the US firm Jabil and the Singapore-based Flex. These two companies have signed up to the Electronic Industry Citizenship Coalition (EICC) Code of Conduct, ensuring that the payment terminals supplied for Ingenico Group meet the highest environmental, labor rights and social justice standards.

In addition, Ingenico Group ensures rigorous control over these suppliers' assembly plants and has dedicated teams of employees at the main sites in Brazil, Malaysia and Vietnam. Their role is to oversee the assembly lines on a daily basis and ensure that operations are compliant with the rules set forth by Ingenico Group. Ingenico Group's Industrial Operations Department and Quality Department visit the various plants at least once every quarter. When practices in breach of the Group's principles are observed, the supplier is immediately informed and a corrective action plan is put in place.

In 2015, all Ingenico Group terminals were assembled at industrial sites with ISO 14001 environmental certification.

2.4.6.1.2 Component manufacturing

Upstream from this assembly chain, Ingenico Group works with a community of Tier 2 suppliers based primarily in Hong Kong, China, Taiwan, Vietnam, Thailand, Malaysia and Brazil, to produce its various components. Ingenico Group expects these component suppliers to comply with the same standards that the Group sets for itself.

Ingenico Group is committed to further strengthening the processes for its supply chain. In addition to the tools already deployed (Supplier Quality Handbook and Code of Ethics and Business Conduct), the Group has set up a CSR agreement with suppliers outlining their commitments to socially responsible practices. This agreement has been designed to establish Ingenico Group's expectations on suppliers regarding labor and human rights, health and safety, environmental protection, ethics, and management commitment. It lays out the minimum requirements that all suppliers must meet when working with Ingenico Group and is enforced through contractual obligations. This agreement also requires suppliers to cascade the Group's conditions down their own supply chain. Ingenico Group has required its 99 active strategic component suppliers to adhere to this agreement. At December 31, 2015, 55 of them had already formally signed this agreement, while the signature process was underway for another 20 of these suppliers.

To further strengthen its assessment of these Tier 2 suppliers, Ingenico Group has optimized its assessment questionnaire, which includes social, environmental, ethical, health and safety criteria. 45 suppliers carried out a self-assessment with the new version of this questionnaire in 2015.

Alongside this, the Quality Department continuously audits the various component suppliers around the world. In 2015, 70 audits were carried out in total (versus 68 in 2014) with Ingenico Group suppliers. These audits are carried out when assessing potential new suppliers or launching new projects. Carried out jointly with the Industrial Operations and R&D Departments, these audits provide opportunities to ensure supplier compliance with the principles of the CSR agreement.

2.4.6.1.3 Managing local subcontractors and suppliers

Some Group entities have set up specific CSR agreements or clauses in their purchasing conditions, which their suppliers undertake to comply with. This is the case in China and Germany, in particular.

None of the suppliers or subcontractors were considered to represent a risk of breaching the International Labor Organization conventions in 2015.

2.4.6.2 Conflict minerals

Ingenico Group is committed to further strengthening the transparency of its supply chain and ensuring that the minerals that go into its terminal components do not benefit armed groups that violate human rights in the Democratic Republic of the Congo and neighboring countries.

As requested by certain customers in the context of the US Dodd-Frank Act, the Group carried out its first assessment of the supply chain in 2014 covering the presence and origins of "3TG" minerals (tin, tantalum, tungsten and gold) in its products. This assessment, carried out with Ingenico Group's two EMS suppliers using the Conflict-Free Sourcing Initiative (CFSI) reporting template, did not identify any minerals from conflict zones based on the information provided by 38% of the Group's Tier 2 suppliers. It will be gradually extended to cover Ingenico Group's entire supply chain.

In 2016, Ingenico Group intends to roll out a dedicated policy to further strengthen the transparency of its supply chain in this area. In addition, the Group plans to further strengthen its monitoring of suppliers with a specific process for minerals from conflict zones, based on categorizing suppliers according to their risk profile, sending questionnaires to high-risk suppliers and working with them to find positive outcomes.

2.4.7 Contributing to local development

Ingenico Group is committed to supporting local employment through the hiring of local residents. The Group is also committed to supporting the development of communities around its facilities through a range of actions, as presented below.

2.4.7.1 Supporting innovation

Our ecosystem and the FinTech world in general are constantly evolving. In this environment, Ingenico Group created Ingenico Labs, its dedicated advanced R&D and innovation structure, in 2015.

Ingenico Labs organized Ingenico Group's first hackathon – "App Shop Factory" – held in Paris from November 6–8, 2015. Open to everyone, this event enabled more than 70 developers and people with ideas to propose and develop applications offering value-added services on payment terminals, with support from Ingenico Group mentors and experts. The four finalist teams then joined Ingenico Group's accelerated incubator to refine their projects and present them on the Group's booth at the Cartes trade show, where visitors were able to vote for the best application.

As part of its support for the development of innovative start-ups in emerging markets, Ingenico Group was a panel member at the Startup Maroc Championship held in Casablanca on October 24 and 25, 2015. This event promotes the most innovative startups to make it easier for them to gain international exposure.

In France, through its partnership with the e-commerce solutions vendor Wizishop for the "Le Formidable E-Commerçant" competition, Ingenico Group set out its support for an initiative offering visibility for the small-scale merchants who are contributing to future e-commerce.

The Europe & Africa region brought together more than 100 of its customers and partners for a "Disruptive Innovations Journey" day, for which it invited five young start-ups to come along to and share their vision and experiences. This event was held on November 16, 2015 in Paris at Numa, the iconic French incubator.

2.4.7.2 Technology for fund-raising

Ingenico Group supports several initiatives that raise funds for charities, through its technical expertise and solutions.

In France, Ingenico Labs deployed an innovative fund-raising solution in 2015 for the Institut Curie's cancer support campaign, "*Une Jonquille pour Curie*". With this operation, the technology developed by Ingenico Group enabled passers-by with contactless payment cards to make donations to the Institut Curie by simply tapping their cards in front of advertising screens.

Similarly, thanks to a solution deployed in partnership with Think & Go, the market leader for connected screens, BNP Paribas' digital branch customers can make donations to a number of BNP Paribas partner charities by tapping their contactless payment card or NFC (near field communication) smartphone in front of a screen. Thanks to this solution, which combines an interactive, dynamic and multi-content interface with multi-amount and multi-merchant payment capabilities, it has never been so quick and easy to make donations.

A new form of donations is developing in France thanks to rounding-up solutions on the terminals deployed for Ingenico Group's retail customers and merchants. In 2015, Ingenico Group continued working with Heoh in this area and linked up with MicroDON – whose solution won an award at the "Nuit de l'Economie Positive" positive economy event - and supported its "Arrondi" (Rounding Up) communications campaign.

In the Netherlands, the GlobalCollect entity has been developing its relationships with NGOs since this year to offer them its online payment solution for collecting donations.

Ingenico Group also lends terminals to support various fund-raising initiatives. For instance, the French entity made various terminals available in 2015 for an auction sale and annual gala evening held by AMREF, a leading NGO for public health in Africa, as well as a fund-raising drive organized by MicroDON to support various partner charities.

Ingenico Group has also developed a fund-raising application for its next-generation terminals (Telium Tetra) to support Paris' bid for the 2024 Olympic Games.

2.4.7.3 Philanthropic activities and support for local charities

In France, following Ingenico Group's financial support for Fondation du Patrimoine to launch its "one click donation" campaign in December 2014, the Group has offered this foundation free access to its online payment solution. This platform offers web users the opportunity to support projects by making a quick online donation. Online donations account for around 12% of the total money collected by Fondation du Patrimoine. This organization raised €1,227,000 in 2015, double the total collected in 2014.

In the United States, the Roam Data entity supports the campaign organized each year by the Action for Boston Community Development (ABCD) charity to collect toys. Ingenico Inc. supports various charities, including Habitat for Humanity, Toys for Tots, Coats for Kids and Adopted Families.

In 2015, Ingenico Group's team in Singapore participated in the Bloomberg Square Mile Relay, a charity run, for the third time. The winning team is awarded a prize of $10,000 to be donated to a charity of their choice.

In Australia, Ingenico Group has provided financial support for White Ribbon, a charity that supports victims of domestic violence, and Bravehearts, which supports child victims of sexual abuse. The Group also called on its employees to support a fund-raising breakfast for Cancer Council, which works to combat all forms of cancer.

In France, Ingenico Group employees also showed their support for the fight against cancer by taking part in two races in 2015: The Course de la Jonquille event for the Institut Curie, a leader in the fight against cancer, and La Parisienne, a women's only race supporting the fight against breast cancer. In addition, Ingenico Group has provided financial support for the donors evening organized by the charity Stop Hunger, as well as a team in the 2015 4L Trophy, a humanitarian student rally event to provide school supplies in Morocco. In terms of sport, Ingenico Group has supported the Racing Club de France Rugby association for several years to develop and run its rugby schools, offering opportunities for sustainable social integration for young people through this sport.

In Canada, Ingenico Group provides funding for an event organized by Second Harvest, a local charity that provides food aid.

In the United Kingdom, the Group supported the following charities in 2015: Zak Scott (help for children and young people with heart problems), Fife Young Carers (help for children and young people who have to care for other people), Cystic Fibrosis (funding for research and support for families affected by this disorder), and Jump Space (therapy for disabled people using trampolines and sensory activities).

In Mexico, Ingenico Group has worked with the Red Cross as part of a blood drive campaign.

Lastly, in Italy, Ingenico Group buys Christmas cards from an NGO to support that organization. The chosen charity in 2015-2016 was Save the Children.

2.4.7.4 Education-related initiatives

Education is of the utmost importance in our work environments. That is why Ingenico Group builds close relationships with the education and student sectors, illustrated by its funding for doctoral students, its scholarships, its participation in careers events, partnerships and programs, as well as its opportunities for apprentices and interns.

In France, Ingenico Labs is providing funding to three doctoral students from the IT Security and Cryptology Department at the Ecole Normale Supérieure. The Group also supported the ESISAR for an event organized by this engineering school to mark its 20th anniversary.

Once again this year, the Europe & Africa region supported EDHEC Business School: on the one hand, by taking on two students for internships, and on the other, by working directly with its students on a practical case study looking at Ingenico Group's development in the region.

In Italy, Ingenico Group works closely with the Polytechnic University of Milan's Management School, which acts as a consultant and provides market research. Ingenico Group supports the *Osservatori* research programs on mPayment and mCommerce, as well as innovation for the distribution and promotion of electronic payments in Italy. Ingenico Group has also liaised with the Polytechnic University for the recruitment of junior engineers and supported its Career Day event.

In Germany, Ingenico Marketing Solutions is carrying out a "Loyalty 4.0" project with the Hamburg-based Nordakademie Graduate School. With this initiative, six students studying on the executive MBA program are carrying out research into the loyalty management developments and trends expected by retailers by 2020.

In Turkey, Ingenico Group provided scholarships once again this year for five university students from Istanbul Technical University.

In the United Kingdom, the local entity took part in an educational event organized by local council in a high school to promote careers in engineering.

In the Netherlands, the GlobalCollect entity has adopted a proactive relationship with universities, recruiting trainees each year (26 in 2015) and organizing a first visit to the Rotterdam School of Business, encouraging students to consider the professional opportunities available in the FinTech sector.

In Canada, Ingenico Group takes part in co-op programs with local organizations (at least two per year). These are based on periods of around three months in a work environment to receive a certificate, primarily aimed at people who arrive in Canada and need to update their skills to find a job.

In Spain, Ingenico Group welcomed two interns from the IE (*Instituto de Empresa*) and the *Centro Nuestra Señora del Pilar* in Madrid in its Marketing and Finance Departments in 2015. In Thailand, Ingenico Group welcomed a number of interns in its Software Development and Repair Service Departments.

In the United States, the Ingenico Inc entity, which took on four interns in its Marketing, IT and Accounting Departments in 2015, has decided to launch a program to develop its internships in 2016. Each year, the entity takes part in an online careers event ("CareerEco") to recruit interns and graduates.

2.4.7.5 Local sourcing

Several Ingenico Group entities are committed to using local suppliers.

For instance, Canadian firms represented 34% of Group's suppliers in Canada in 2015 (30% in 2014).

In the Philippines, Ingenico Group endeavors to favor suppliers from the metropolitan district (national capital region). They accounted for 100% of its suppliers in 2014 and 93% in 2015. The drop in this percentage in 2015 is linked to the installation of new phones equipped with VoIP technology, accompanied by a testing tool.

The Ingenico Prepaid Services entity in France works primarily with local suppliers (based in Colombelles) to buy its merchandising items: they represented around 75% of suppliers for this type of product in 2015.

The Australian entity endeavors to work with providers located within a restricted radius of its infrastructures for organizing its team events, which helps to raise awareness among its employees of the benefits of working with small local firms to support the economy.

2.4.7.6 Support for communities with specific needs

In Germany, the Ingenico Marketing Solutions entity has been supporting a refugee camp in Hamburg since October 2015, by providing equipment and services to facilitate their activities and integration: sports clothing and equipment, access to sports facilities, gift cards for buying school books, etc. This help complements the support provided by the local authorities, which is focused more on essentials such as food, clothing and housing. In 2016, the entity intends to continue supporting this camp, which is expected to welcome a further 200 people from February, taking the total figure up to 500.

In India, after severe flooding in the Chennai region, the Group organized an in-house fund-raising initiative and freed up funds to support the employees whose properties had been worst affected.

In the United States, Ingenico Inc. ensures that all its job offers are published not only with the Labor Department, but also on employment sites for veterans and disabled people. This entity also works with businesses that are owned by people from minority backgrounds and companies managed by women.

Lastly, by working with specialist organizations such as Cèdre, the occupational support company in charge of the new office waste sorting system in France, Ingenico Group contributes towards the professional integration of disabled people.

2.4.7.7 Local environmental initiatives

Ingenico Group endeavors to minimize its environmental impact wherever it operates through various initiatives, such as controlling motherboard and battery waste at its Sao Paulo sites in Brazil in conjunction with ERS International (zero landfill, zero incineration).

In the United Kingdom, it is working with local organizations and programs to reduce its energy consumption (Resource Efficient Scotland, Home Energy Scotland/Energy Saving Trust).

In France, at the Valence site in particular, car sharing is strongly encouraged in order to reduce the use of vehicles and their environmental footprint.

In Germany, an operation entitled "Ingenico Goes Green" was organized when the new premises were inaugurated for the Deutsche Ingenico Holding entity in Ratingen, making it possible to replant trees following the extensive damage caused in this region by Storm Ela in June 2014.

2.4.8 Stakeholder engagement

Partners, distributors, shareholders, the financial community, participants in the payment industry, NGOs and public authorities are among the many external stakeholders with which Ingenico Group maintains regular, open dialogue. A process to map these stakeholders was launched in 2015 in connection with its ISO 14001 environmental certification, which the Group intends to expand in 2016 to cover all CSR-related topics.

The Group's new website, launched in early 2015, is intended to become a platform on which stakeholders can exchange their points of view about Ingenico Group and the payment industry in general.

2.4.8.1 Shareholders and investors

The support and loyalty of its private and institutional shareholders are crucial to Ingenico Group's long-term development. The Group's relationship with its shareholders is built around mutual confidence and trust, open dialogue and regular contact.

2.4.8.1.1 Extensive meetings with the financial community

Ingenico Group holds regular conference calls and investor meetings when publishing – after close of trading – its interim and full-year financial statements. In addition, the Group is taking part in more and more technology and payment conferences and roadshows, particularly in Europe and North America. In 2015, in the United States and Europe (Paris, London, Frankfurt, Dublin, Milan, Nordic countries, etc.), Ingenico Group took part in 14 investor conferences, a dozen roadshows and three trade shows (Money 2020, Cartes and Mobile World Congress). In total, more than 330 face-to-face or call-based meetings were held, making it possible to meet more than 470 financial institutions and 720 investors.

Ingenico Group also organizes "Investor Days" to present the Group's medium-term vision and strategic priorities to analysts and investors.

2.4.8.1.2 Stronger financial communications tools

The Finance section of the www.ingenico.com site is regularly updated and is home to all financial and non-financial documentation (publications, management reports, investor presentations) and regulated information (Registration Documents, etc.). Investors can also find the Group's key figures in Excel format, as well as the consensus updated before and after each publication. In addition, shareholders have access to a tool for calculating their average annual performance.

2.4.8.1.3 SRI index(1)

Ingenico Group is part of the Gaïa Index, a socially responsible investment information system for middle-market companies in France.

2.4.8.2 Customers

2.4.8.2.1 Customer relationship management

In line with its ambition to adapt to its environment and continuously improve its customer service, Ingenico Group launched a transformation program in 2015 entitled "CAP 2017" (customer acceleration program). CAP 2017 will enable the Group to align and improve its Sales, Marketing and Service practices, while ensuring that all its customer-facing teams converge on one dedicated, shared CRM (customer relationship management) platform: Salesforce.com. This initiative will cover all the teams worldwide by the end of 2017 (excluding China). This alignment of its organizations will enable Ingenico Group to better understand its customers, whether they are local, global or multi-channel, while further strengthening its value proposition, improving its operational excellence and driving cross-channel growth, with the ultimate goal of improving customer excellence in order to generate sustainable, profitable growth for the Group.

2.4.8.2.2 Satisfaction surveys

For the third year running, Ingenico Group conducted its Customer Experience Feedback satisfaction survey in June 2015. This year, the survey was extended to cover the entire Europe & Africa region, the e-Commerce Solutions entity and the NAR region. The information collected from the 2,058 questionnaires received has made it possible to analyze customers' loyalty, their perception of the brand and their satisfaction with the relationship, looking at aspects such as innovation, performance, terminals and applications, sales and support. The "Net Promoter Score" shows that Ingenico Group is seen as a strong brand globally, with quality products that are easy to use. The survey also enabled the Group to carry out concrete actions to continue its work on customer relationship management, by identifying opportunities for development.

A customer satisfaction survey is also carried out each year in Australia.

2.4.8.2.3 Events

Ingenico Group organizes a number of events to head out and meet its customers.

Every year, the Europe & Africa region recognizes its customers and partners with an awards ceremony. This initiative reflects Ingenico Group's commitment to customer-centric communications.

In the Netherlands, the GlobalCollect entity meets with its top 15 customers during the annual GlobalCollect Customer Advisory Board (GCAB) event, enabling them to talk about the latest developments and the future of payment services. It also invites 50 to 75 prospects to discuss the payment landscape and their opportunities for growth during an "Insights" meeting.

In Germany, all of Ingenico Marketing Solutions' customers and key prospects are invited to take part in a "Loyalty Day" conference each year.

In Italy, "PayLab" events are organized twice a year. For these events, around 30 customers are invited to share their opinions on key topics, such as mobile payments, point-to-point (P2P) security or person-to-person financial flows.

In Australia, Ingenico Group brings its customers together for an end-of-year event.

Ingenico Group also attends various trade shows and events in the various countries where it operates, including Cartes Secure Connexions in France, Money 2020 or NRF Retail's Big Show in the United States, to present its range of solutions and meet with prospects, customers and key players. In total, the Group took part in over 170 events in 2015.

2.4.8.2.4 CSR assessment

To ensure a more effective response to the growing requests for information from its customers and prospects on CSR-related issues, in 2015 the Group took the initiative to join the EcoVadis platform, which specializes in assessing the CSR performance of suppliers. With a score of 47 out of 100 for 2015, Ingenico Group is rated higher than average for the various companies assessed and is part of the 30% with confirmed CSR commitments.

2.4.8.3 Partners

Ingenico Group has a large number of partners, particularly in the Europe & Africa region: distributors of its offers, technology partners, etc. The Group believes that it is essential to share its expertise and know-how with them so that they can also develop.

For the third year running, the Europe & Africa region brought its partners together for two days to share information on the Group's latest innovations and key market trends. The 2015 event was held in Budapest, with 155 participants from 75 companies and 50 countries.

In Italy, Ingenico Group supports various events organized by its partners. For instance, in 2015, the Group supported its new distribution partner Ditronetwork on its roadshow across Italy.

In the last few years, Ingenico Group has also developed strategic partnerships with key players in their respective fields, with a collaborative approach benefiting all parties.

(1) *SRI: Socially Responsible Investment.*

Ingenico Group has developed a strong partnership with Samsung with a view to creating and distributing integrated mobile payment services. This alliance has a global scale and, by bringing together Samsung's mobile devices and tablets and Ingenico Group's mobile platform and card readers, it will enable customers and retailers to benefit from a seamless mobile payment system. It offers secure end-to-end mobile payment services to businesses of all sizes across the globe, significantly improving their in-store business efficiency while capturing new sales opportunities.

Similarly, Ingenico Group is working with Intel to integrate secure payment acceptance on new connected devices, establishing its expertise in the Internet of Things.

Lastly, Ingenico Group has joined forces with Google to facilitate online sales internationally. The "Export Accelerator" program, based on the combined expertise of Google and Ingenico Payment Services, will enable merchants to explore and identify new opportunities for growth, establish their business internationally and sell their products more easily outside of their home country.

2.4.8.4 Ingenico Group's industry collaborations

Since its creation, Ingenico Group has been an active member of the Card Stakeholders Group (CSG), an organization linked to the European Payment Council (EPC) and responsible for the definition and the maintenance of large operating and security principles for card payments in the Single Euro Payments Area (SEPA). These principles are the foundation upon which standards can be established and implemented. At the beginning of 2015, three complementary standardization initiatives (EPASOrg, CIR SEPA-FAST and Oscar) in the SEPA card payments field were combined in a new entity: nexo AISBL. Pierre-Antoine Vacheron, Executive Vice-President, ePayments at Ingenico Group and Chairman of the General Assembly of EPASOrg, was reappointed to this role in this new organization. Ingenico Group's firm commitment to this standardization initiative was recognized with the first nexo certification for its centralized payment solution in 2015.

The Group is also a member of the World Wide Web Consortium (W3C), which sets out web standards, especially for HTML5. In 2015, the W3C officially launched a new working group for online payments, of which Ingenico Group is a member, in order to optimize the order process, while facilitating and ensuring better security for online payments.

Since 2014, Ingenico Group has been part of Global Platform, a group that aims to develop the security and interoperability of multiple embedded applications on chip technology. The Group aims to support the needs of smart device suppliers, such as smartphone and tablet application developers, and device manufacturers. The technology's development is crucial for mobile wallets, NFC (near field communication) payments, premium content protection and "bring your own device" initiatives (BYOD).

In connection with its activities, the Company maintains regular dialogue with international payment shemes on regulatory and technical matters (Visa, MasterCard, American Express, CUP, etc.), both through its local entities and centrally.

In each country, the Group's local entities are also in contact with various key players in the payment and new technology sectors.

For instance, the GlobalCollect entity is in contact with the Dutch National Bank, at the latter's request, to improve its understanding of the payment service providers landscape.

In France, Ingenico Group is part of the Electronic Business Group (EBG), the country's leading digital economy association, which has over 600 member firms, including all of the SBF 120, and 120,000 professionals. Ingenico Group is also a partner of this organization's e-Commerce Committee, which brings between 100 and 300 professionals together each month to share business issues and experiences, such as international online sales, managing fraud and optimizing the conversion rate.

In Australia, the Group is in contact with various industry organizations, including the Australian Payment Clearing Association (APCA).

In Canada, Ingenico Group is represented on the Board of Directors of ACT Canada, a payment industry association, and attends the conferences that it organizes.

In Germany, Ingenico Group is in contact with the following organizations in order to keep informed of various topics: BZVI (federal association of payment institutions), EPSM (European Association of Payment Service Providers for Merchants), EPIF (European Payment Institutions Federation) and EHI Retail Institute GmbH (retail industry research institute). The main topics covered in 2015 were the new European payments directive (PSD2) and interchange fees and payment regulations. Ingenico Group is also a founding member of the new Network Service Providers (NSP) association for electronic payment operators in Germany: *Bundesverband der electronic cash-Netzbetreiber*.

In India, E-Billing Solutions is a member of the IAMAI, the Internet and Mobile Association of India. Through this organization, it meets with other industry operators to discuss shared business and commercial issues.

2.5 Ingenico Group's environmental approach

2.5.1 Environmental issues and policy

The environmental issues for Ingenico Group are twofold:

- first, establishing a presence in a given territory and managing infrastructure and the logistical flows resulting from the Group's business have direct impacts mainly in terms of resource and energy consumption, greenhouse gas emissions and waste production;
- second, the use of Ingenico Group products and related services has repercussions on the environment.

As the global leader in payment services, Ingenico Group has a key role to play in controlling the environmental impact of the payment chain. Given its core business, Ingenico Group helps to further the development of payment solutions that have less impact on the environment (especially in terms of atmospheric emissions and the use of natural resources) than other means of payment, such as cash or checks.

Ingenico Group contributes to environmental conservation through a policy designed to minimize the environmental impact of its activities, products and services. Ingenico Group's environmental actions are coordinated at Ingenico Group SA level and reported to senior management annually as part of an environmental management review.

The environmental policy defined by Ingenico Group SA is documented and signed by the Group's management. It is based upon four guiding principles:

- **exemplary compliance with environmental regulation**
  Ingenico Group monitors the legal requirements relating to the environment and takes action to ensure the compliance of its activities, products, and services with the applicable regulations;
- **considering environmental impact from the product design stage**
  Ingenico Group promotes "eco-design" because the primary elements affecting the environmental performance of products can be found at the development and design phase;
- **implementing a responsible purchasing policy that incorporates environmental criteria**
  Ingenico Group incorporates environmental criteria into the purchase requirements applying to its various suppliers and subcontractors;
- **increasing environmental awareness among employees**
  Ingenico Group encourages its employees to adopt environmentally friendly practices in their daily activities.

2.5.2 Impacts related to business activity and infrastructures

Ingenico Group's primary concern is to control its environmental footprint in the following areas of responsibility:

- the sale and distribution of payment terminals and related services (use of primary raw materials, transportation for delivery of products, and waste production);
- the operation of infrastructures (consumption of energy and natural resources).

Ingenico Group is working to lessen its environmental impact through the actions and measures described below.

2.5.2.1 Impacts related to business activity

Transport

Freight transport

The transportation of materials and goods has a significant environmental impact for Ingenico Group, particularly in terms of GHG emissions. In the GHG emissions analysis updated in 2015, emissions generated by the transport of terminals from subcontracting factories known as EMS (electronic manufacturing services) to customers (1.7% of emissions) were at the top of the list after emissions from manufacturing and from product usage.

Air transport in particular has a very significant impact, contributing close to 96% of all emissions generated by international transport. Substantial efforts have thus been made to optimize the logistics chain, and especially to increase the number of products included in each shipment (consolidation) and the proportion transported by sea. As a result, in 2015, 29% of all products were transported by sea (compared to 25% in 2014).

In addition, the Group works with two transport firms that are market leaders in transport and logistics. Both firms are ISO 14001 certified, enabling Ingenico Group to help ensure an environmentally friendly supply chain. A CO_2 calculator makes it possible to accurately assess the GHG emissions generated by the Group's shipments. These transport firms also provide expertise for the development of logistics networks, consolidating and optimizing loads, and choosing means of transport with a view to reducing the carbon footprint linked to the transportation of Ingenico products.

In 2015, Ingenico Group cancelled out the GHG emissions generated by its transport operations for delivering products in Brazil and Mexico with a "carbon offsetting" program.

Employee transportation and business travel

Ingenico Group has implemented action plans to limit the environmental impact from business travel by promoting the use of videoconferencing systems for meetings. These technologies are now installed at all of the Group's facilities (19% increase in equipment provision between 2015 and 2014) and their use is growing steadily (+18% between 2015 and 2014).

At a conference held in Budapest for Ingenico Group partners in June 2015, the Group fully offset the 125 tons of CO_2 corresponding to the 479,959 kilometers traveled by the 154 participants from 49 different countries. For the 2015 Cartes Secure Connexions show, held near Paris, the trips made by Group employees from Ratingen, Riga, Sao Paulo, Boston, Beijing and Valence, equivalent to 175 tons of CO_2, were also offset. These two carbon offsetting initiatives were carried out in partnership with the GoodPlanet Foundation, set up by the renowned French photographer Yann Arthus-Bertrand. The initiatives funded by the Group have made it possible to promote the use of climate-friendly technologies for vulnerable communities.

To encourage employees to consider alternative ways of commuting, such as cycling (particularly electric bikes) or car-sharing, the Chinese entity organized a "car-free day" and offered bicycles as prizes at company events and competitions.

In Belgium and Germany, the entities have decided to include CO_2 emissions in their criteria for selecting rental vehicles.

In France and Belgium, telework arrangements have also been rolled out, enabling any employees who wish to do so to work from home for one or two days a week. This initiative makes it possible to limit travel by employees to and from their workplace.

Finally, at the local office in Valence (France) a "mobility challenge" was organized in June 2015, during which 77 people (or 28% of the site's workforce) opted to come to work using an alternative mode of transport (bus, train, bike, car-sharing or scooter).

Raw and auxiliary materials consumption

A study was conducted on the amount of raw materials consumed directly by the various entities. Since the bulk of Ingenico Group's activities are office activities, the study focussed on paper consumption.

Paper consumption

Paper consumption by Ingenico Group amounted to 58.2 metric tons in 2015.

(in metric tons)	2015	2015 (like-for-like)	2014 (like-for-like)	Change
Paper consumption	58.2	51.0	49.6 (1)	+3%

(1) The 2014 figure was revised upwards following a correction to the data reported by the entities in Belgium, China, India, Indonesia, Italy, Mexico, Russia, and the United States, and the integration of the entities in Latvia and Thailand.

Examples of the Group's commitment to reducing paper consumption include changing printer settings, increasing the use of electronic documentation, and encouraging paperless work environments. Some of these initiatives have been implemented in Australia, China, Germany, India, Latvia, the Netherlands, Russia, Singapore, and the United Kingdom. In Belgium and Turkey, electronic invoicing solutions have been deployed. In France, an innovative system has been rolled out for photocopiers, requiring users to identify themselves with their badge to confirm their printouts. This solution has helped reduce paper consumption by 4%.

Component consumption

The GHG emissions analysis updated in 2015 highlighted the fact that, when the entire Ingenico Group value chain is taken into account, the impact of terminal manufacturing on greenhouse gas emissions is very substantial. Raw materials mining and component manufacturing account for 22% of the GHG emissions generated by Ingenico Group's business activities.

Eco-design measures, which seek to reduce the amount of raw materials used per product, are therefore essential to reducing both natural resource consumption and the related GHG emissions (for further details, see section 2.5.3.2, "Eco-design").

Preventive measures, recycling and waste disposal

Most of Ingenico Group's entities have set up sorting systems to collect and recycle internal waste such as electrical and electronic equipment, toners and cartridges, batteries and accumulators, plastic, paper and cardboard.

At the Paris site where the Group's management team is based, a comprehensive office waste sorting and recycling solution was rolled out in 2015 in partnership with a social enterprise in which disabled workers account for 90% of the workforce. This bespoke service, covering all aspects of waste, enables real traceability of the following forms of waste: paper, plastic cups, plastic bottles, and drinks cans. For example, each ton of paper recycled via this new solution will make it possible to reduce CO_2 emissions by 550 kg, equivalent to saving 17 trees per year, while creating two jobs.

Solutions for recycling Ingenico terminals have also been set up, notably in Australia, Brazil, Canada, Mexico, and Singapore. In the European Union, in compliance with the WEEE (Waste Electrical and Electronic Equipment) directive (for more information, see section 2.5.4.4, "Regulatory assessment and compliance"), Ingenico Group offers collection and recycling schemes to its customers for end-of-life terminals.

In 2015, the Group changed its provider for the French market. The new solution, provided by an ISO 14001 certified company, makes it possible to optimize the entire electronic waste collection and recycling process: maximizing the transportation and recycling of raw materials via local firms to reduce the impact in terms of the carbon footprint. This partnership is also improving traceability and transparency by having one dedicated correspondent, who also works with local partner associations (three associations for the professional insertion of people with disabilities) and one penitentiary center, representing a total of 80 people.

The quantity of terminals collected for recycling, which was monitored at Group level, reached a total of 267.4 tons in 2015.

(in metric tons)	2015	2015 (like-for-like)	2014 (like-for-like)	Change
Hazardous waste collected and treated	55.3	54.8	50.8 (1)	+8%
End-of-life products (WEEE) collected and treated	267.4	267.4	168.2 (2)	+59%

(1) The 2014 figure was revised upwards following a correction to the data reported by the entities in Canada and the United States, and the integration of the Latvian entity.

(2) The 2014 figure was revised upwards following a correction to the data reported by the entities in Brazil, Canada and Germany.

In 2015, Ingenico Group recorded a significant increase in the number of end-of-life terminals collected and treated using the Group's channels. This is primarily attributable to the new collection and treatment solution set up in France, as well as a specific communication from the Spanish entity to its customers.

2.5.2.2 Impacts related to infrastructure

Energy consumption

A study of data relating to energy consumption was performed at Group level. In 2015, the quantity of electricity used was 13,285.4 MWh, while the amount of natural gas consumed was 3,037.8 MWh HHV over the same period.

(in MWh)	2015	2015 (like-for-like)	2014 (like-for-like)	Change
Electricity consumption	13,285.4	12,423.0	12,334.3	+1%
Natural gas consumption	3,037.8	2,914.6	3,024.7 (1)	-4%

(1) The 2014 figure was revised upwards following a correction to the data reported by the entities in Canada and the United Kingdom, and the integration of the Italian and US entities.

Energy consumption (electricity and natural gas) remained broadly stable between 2014 and 2015 despite an increase in business activity (revenue +37%) and the number of employees (+8%).

Where possible, Ingenico Group only uses buildings with high energy efficiency. This is notably the case for the Paris building (France), which is HQE (High Quality Environmental standard) certified, and the Valence building (also in France), which is BBC certified (for being a low-energy building) by an external certifying body, ensuring that energy performance levels are well above those of standard buildings. In addition, the latter building has 163 m² of solar panels installed on the roof to provide some of the energy required for the building's common facilities (heating, lighting, etc.). In the US (Alpharetta, GA), Ingenico Group also works out of a LEED-certified (Leadership in Energy and Environmental Design) and Energy Star-certified building, guaranteeing high energy efficiency.

In 2015, thanks to a "green energy" agreement signed with its energy supplier, Ingenico Group in Germany was able to guarantee that all of the energy supplied for its main site in Ratingen was exclusively from renewable sources, thereby reducing the corresponding GHG emissions.

Other actions to reduce energy consumption were deployed on Group sites in Brazil, China, France, Germany, Russia, the United Kingdom, and the United States, such as the use of high-efficiency electrical equipment, low-consumption light bulbs, LED lighting and movement detectors.

Lastly, in 2015, the UK entity organized an employee awareness day focused on energy issues, in partnership with the Energy Saving Trust.

Water consumption

In 2015, water consumption was monitored locally at each site. The Group's total water consumption in 2015 was 45,900 m³.

(in thousands of m³)	2015	2015 (like-for-like)	2014 (like-for-like)	Change
Water consumption (1)	45.9	45.9	44.6 (2)	+3%

(1) Excluding the entities in Indonesia, the Netherlands, Russia, Singapore, Thailand, and the United Kingdom.

(2) The 2014 figure was revised downwards following a correction to the data reported by the entities in Brazil, Canada, China, India, Indonesia, Italy, Mexico, Singapore, Spain, and the United States, and the integration of the Latvian entity.

Group entities have undertaken several initiatives to reduce water consumption. The buildings in Brazil, China, France, and the United States (Boston, MA), for example, are equipped with automatic faucets and dual flush toilets. Awareness-raising measures concerning the safeguarding of water resources have also been rolled out to employees in Brazil, China, and India.

Ingenico Group is not aware of any local constraints relating to water resources. Moreover, given the Group's business activity, the consumption figures recorded are for food and sanitary use only.

Substance and noise pollution

In order to evaluate the greenhouse gas emissions generated by the Group's activities, a Group-wide analysis of GHG emissions has been updated. Details of the process used to calculate GHG emissions can be found in section 2.5.4.2, "Analysis of greenhouse gas emissions".

As the noise and odors caused by Ingenico Group's activities are insignificant, they are not subject to specific reporting.

Land use

As Ingenico Group's business activity has a limited impact on soil, there is no specific reporting on ground soil pollution.

Biodiversity conservation

Ingenico Group's business activity has not revealed any direct negative impact on biodiversity as its sites include very few green spaces or areas of land.

2.5.3 Impacts related to the range of products and solutions offered

2.5.3.1 General approach

A major concern for Ingenico Group is reducing the environmental footprint of the products it sells and the services it offers. The Group's environmental policy involves leveraging research and development, pursuing eco-design and incorporating environmental criteria into its purchasing policy with the aim of minimizing the impact of the Group's activities on the environment.

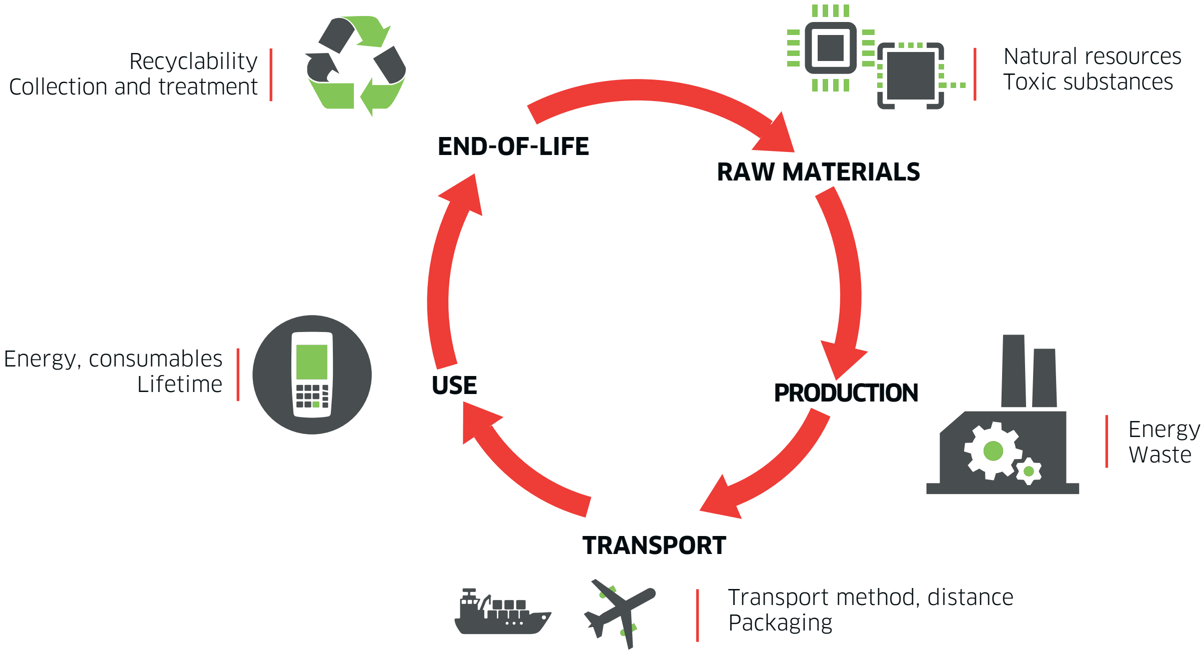
The 2015 analysis of GHG emissions shows that the use of terminals is the phase that generates the most GHG emissions, and that component manufacturing is the largest contributor within the manufacturing phase for Ingenico Group products (for more details, refer to section 2.5.4.2, "Analysis of greenhouse gas emissions").

All of the above indicators vindicate the Group's eco-design approach in its environmental policy.

2.5.3.2 Eco-design

Eco-design is a preventive approach that factors in environmental concerns right from the product design and development phase. This approach requires that consideration be paid to the environmental requirements that relate to the product – regulations, customer expectations, Group policy – and to the product's environmental impacts, including energy and resource consumption and waste production.

The eco-design approach implemented by Ingenico Group is based on the "life cycle" approach to products, as shown in the following diagram:

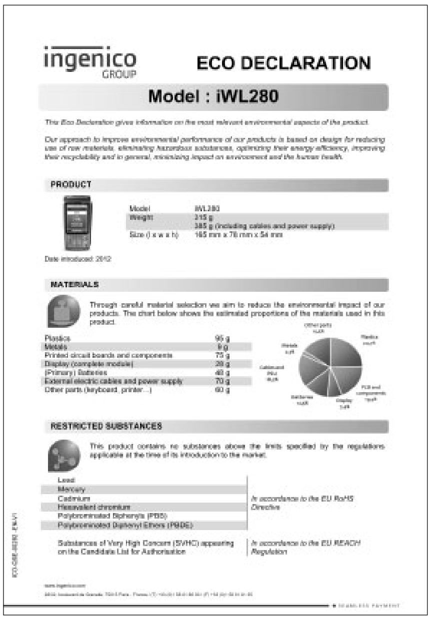


Using an eco-design guide and checklist, derived from the best international standards for electronic products, the Group evaluates the environmental performance of its products:

- by measuring a number of design indicators (weight, volume, energy consumption, number of components, surface area of printed circuits, etc.);
- by verifying compliance with current regulatory requirements (WEEE, RoHS2, REACH, etc.);
- by identifying good design practices (compatibility of plastics, number of different plastic materials, marking of parts, disassembly, chemical substances used, standby mode, etc.).

This evaluation of environmental performance provides the basis for drafting an "eco-declaration", a sort of environmental product profile that emphasizes the ecological aspect of the product while meeting customers' expectations.

Example of an eco-declaration on a product (iWL280)



ingenico GROUP

ECO DECLARATION

Model : iWL280

This Eco Declaration gives information on the most relevant environmental aspects of the product.

Our approach to improve environmental performance of our products is based on design for reducing use of raw materials, eliminating hazardous substances, optimizing their energy efficiency, improving their recyclability and in general, minimizing impact on environment and the human health.

PRODUCT

Model	iWL280
Weight	315 g 385 g (including cables and power supply)
Size (l x w x h)	165 mm x 78 mm x 54 mm

Date introduced: 2012

MATERIALS

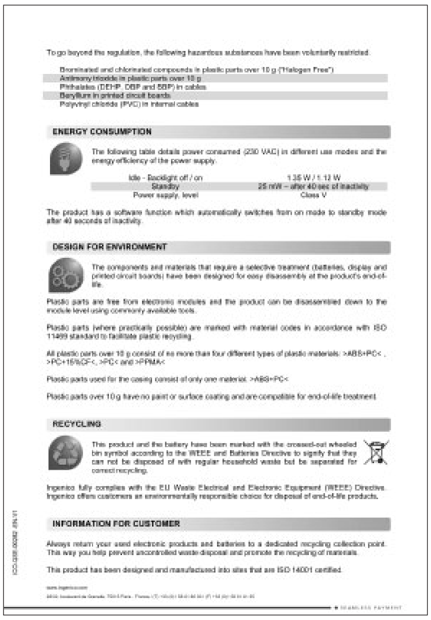
Through careful material selection we aim to reduce the environmental impact of our products. The chart below shows the estimated proportions of the materials used in this product.

Plastics	95 g
Metals	9 g
Printed circuit boards and components	75 g
Display (complete module)	28 g
(Primary) Batteries	40 g
External electric cables and power supply	70 g
Other parts (keyboard, printer...)	60 g

RESTRICTED SUBSTANCES

This product contains no substances above the limits specified by the regulations applicable at the time of its introduction to the market.

Lead Mercury Cadmium Hexavalent chromium Polybrominated Biphenyls (PBB) Polybrominated Diphenyl Ethers (PBDE)	*In accordance to the EU RoHS Directive*
Substances of Very High Concern (SVHC) appearing on the Candidate List for Authorisation	*In accordance to the EU REACH Regulation*



To go beyond the regulation, the following hazardous substances have been voluntarily restricted:

- Brominated and chlorinated compounds in plastic parts over 10 g ("Halogen Free")
- Antimony trioxide in plastic parts over 10 g
- Phthalates (DEHP, DBP and BBP) in cables
- Beryllium in printed circuit boards
- Polyvinyl chloride (PVC) in internal cables

ENERGY CONSUMPTION

The following table details power consumed (230 VAC) in different use modes and the energy efficiency of the power supply.

Idle - Backlight off / on	1.35 W / 1.13 W
Standby	25 mW – after 40 sec of inactivity
Power supply, level	Class V

The product has a software function which automatically switches from on mode to standby mode after 40 seconds of inactivity.

DESIGN FOR ENVIRONMENT

The components and materials that require a selective treatment (batteries, display and printed circuit boards) have been designed for easy disassembly at the product's end-of-life.

Plastic parts are free from electronic modules and the product can be disassembled down to the module level using commonly available tools.

Plastic parts (where practically possible) are marked with material codes in accordance with ISO 11469 standard to facilitate plastic recycling.

All plastic parts over 10 g consist of no more than four different types of plastic materials: >ABS+PC< , >PC+15%CF<, >PC< and >PPMA<

Plastic parts used for the casing consist of only one material: >ABS+PC<

Plastic parts over 10 g have no paint or surface coating and are compatible for end-of-life treatment.

RECYCLING

This product and the battery have been marked with the crossed-out wheeled bin symbol according to the WEEE and Batteries Directive to signify that they can not be disposed of with regular household waste but be separated for correct recycling.

Ingenico fully complies with the EU Waste Electrical and Electronic Equipment (WEEE) Directive. Ingenico offers customers an environmentally responsible choice for disposal of end-of-life products.

INFORMATION FOR CUSTOMER

Always return your used electronic products and batteries to a dedicated recycling collection point. This way you help prevent uncontrolled waste disposal and promote the recycling of materials.

This product has been designed and manufactured into sites that are ISO 14001 certified.

2.5.4 Monitoring of environmental performance and regulatory compliance

Ingenico Group SA implements its environmental policy mainly by establishing an Environmental Management System based on the ISO 14001 standard, by monitoring GHG emissions across the Group, and by broadening the scope of the environmental reporting process.

Ingenico Group also intends for its environmental policy to be an exemplary model of compliance with the applicable environmental regulations.

2.5.4.1 Certified Environmental Management System

Environmental protection is a growing concern and controlling the environmental impact of a company's activities requires a structured approach in order to be sustainable. Ingenico Group SA has an Environmental Management System and its ISO 14001 certification was renewed in 2015, in line with the latest international standards (ISO 14001:2015). As the international standard for environmental management, ISO 14001 provides the framework for determining the program of measures and procedures that can help companies gain better control over the environmental impact of their activities, products, and services. ISO 14001 requires the establishment and implementation of environmental practices such as compliance with applicable environmental regulations, determining and evaluating any significant environmental impacts, establishing objectives and a program for achieving those objectives, and implementing continuous improvements using specific monitoring and measurement methods.

Landi in China also has an Environmental Management System certified to ISO 14001.

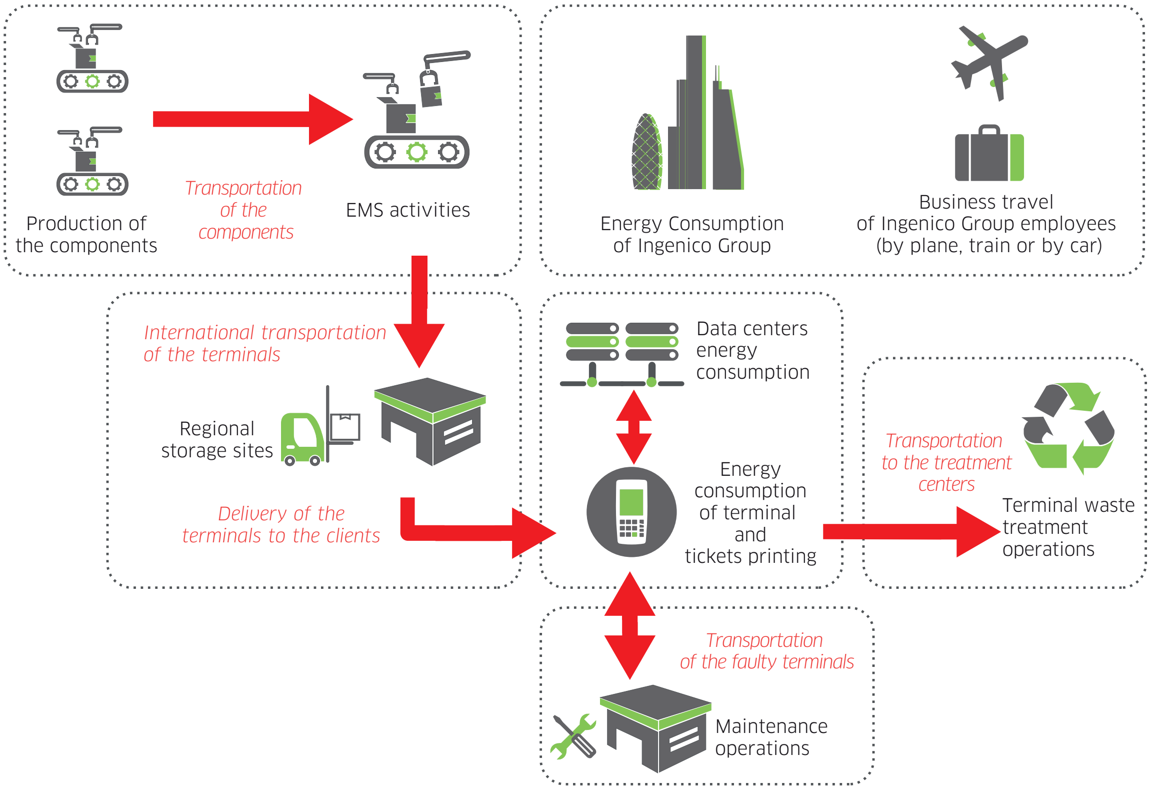
2.5.4.2 Analysis of greenhouse gas emissions

In 2015, Ingenico Group updated its analysis of GHG emissions. This initiative goes beyond mere compliance with legal obligations under the Grenelle II law by broadening the scope of GHG emissions monitoring to encompass the whole of Ingenico Group's value chain, including Scope 1, Scope 2 and Scope 3 emissions.

The analysis of the Group's greenhouse gas (GHG) emissions covered the following elements:

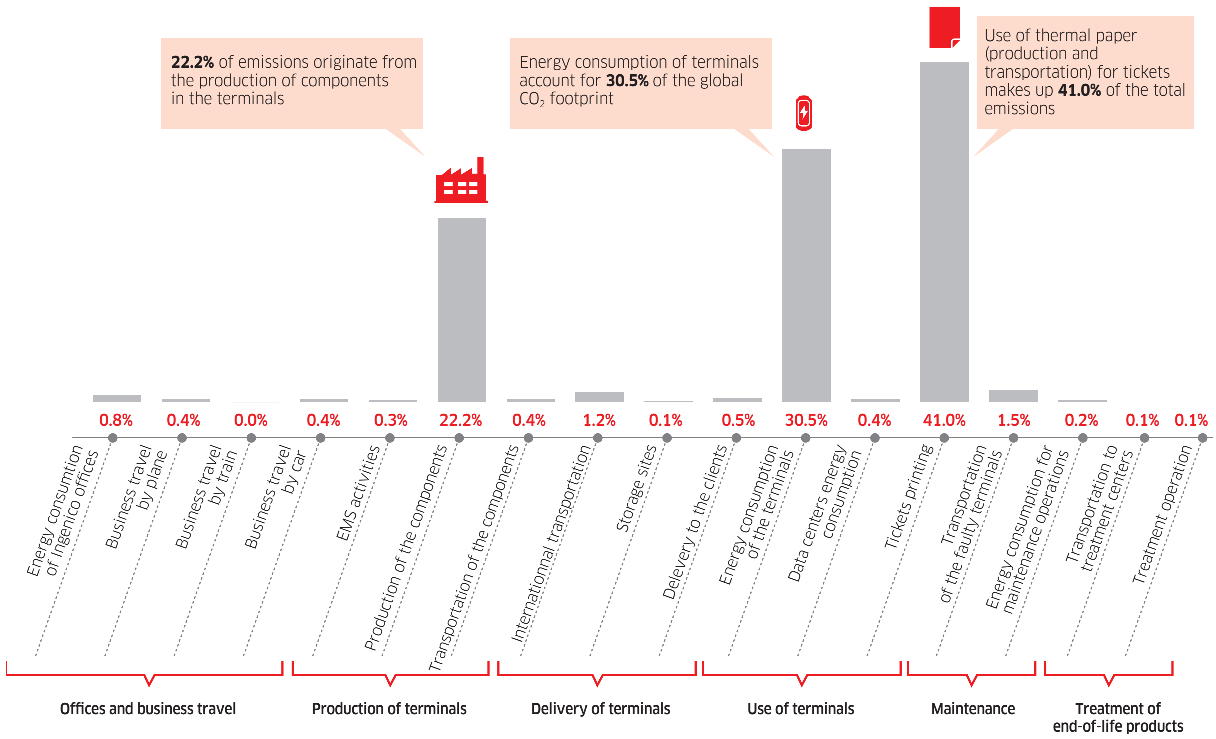
- energy consumption and cooling/heating systems in the Group's buildings;
- business travel by Group employees;
- production and transport of terminal components;
- energy consumption and cooling/heating systems at assembly plants;
- international transport and delivery of terminals from assembly plants to customers;
- energy consumption of terminals deployed on the market;
- production and transport of the paper needed for printing receipts when transactions take place;
- energy consumption of data centers (for services operated by Ingenico Group);
- collection and delivery of terminals for repair;
- energy consumption and cooling/heating systems at maintenance centers;
- transport of terminals to their place of disposal;
- processing of end-of-life terminals.

Schema of the elements included in the GHG emissions analysis



This analysis enabled the identification of the elements with the highest GHG emissions in order to target preventive actions and make the greatest impact. The results presented in the analysis below help Ingenico Group to refine and complete its action plans for reducing GHG emissions within its approach toward progress and the continuous improvement of environmental performance.

Principal sources of CO_2 emissions in Ingenico Group's value chain



Details of emissions in CO_2 equivalent per scope and per year

(in tons of CO_2 equivalent)	2015	2015 (like-for-like)	2014 [1] (like-for-like)	Change
Scope 1 (direct emissions from the combustion of fossil fuels)	7,514	7,409	6,999	+6%
Scope 2 (indirect emissions from electricity)	8,197	7,727	6,957	+11%
Scope 3 (other indirect emissions)	1,273,511	1,270,292	1,126,145	+13%
TOTAL	**1,289,222**	**1,285,428**	**1,140,101**	**+13%**

(1) The figures for 2014 have been recalculated with the most recent emission factors (used for 2015), resulting in an increase compared with the data reported previously.

Details of emissions in CO_2 equivalent per item and per year

(in tons of CO_2 equivalent)	2015	2015 (like-for-like)	2014 [1] (like-for-like)	Change
Offices and business travel	19,905	18,685	18,999	-2%
Terminal production	295,047	295,047	279,828	+5%
Terminal delivery	22,267	22,266	23,622	-6%
Use of terminals and related services	927,498	924,925	807,779	+15%
Maintenance	21,634	21,634	7,368	+194%
Processing of end-of-life terminals	2,871	2,871	2,505	+15%
TOTAL	**1,289,222**	**1,285,428**	**1,140,101**	**+13%**

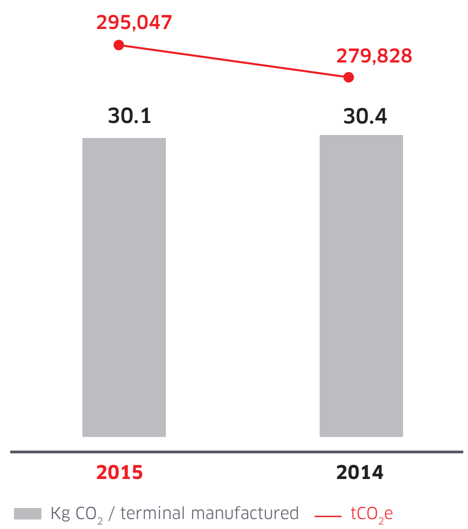
(1) The figures for 2014 have been recalculated with the most recent emission factors (used for 2015), resulting in an increase compared with the data reported previously.

GHG emissions related to offices and business travel decreased slightly between 2014 and 2015 (-2%) despite the growth of the Group's business (revenue +37%) and the increase in the number of employees (+8%). The Group also recorded a reduction in GHG emissions relating to terminal transport (-6%), despite the increase in production over the same period (+5%). These various results confirm the effectiveness of the initiatives set out in section 2.5.2, "Impact related to business activity and infrastructures".

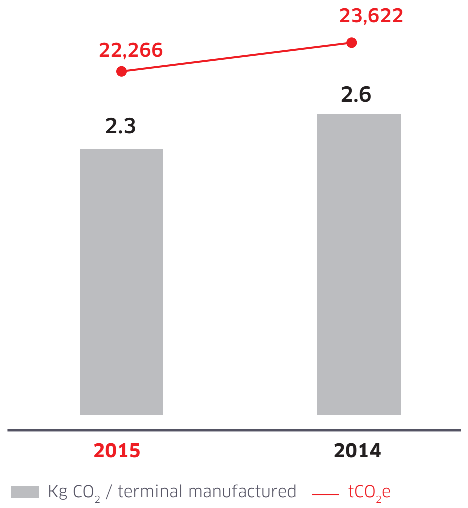
The GHG emissions related to the production of terminals are generally proportional to the quantity of terminals manufactured by the Group (+6% between 2014 and 2015). The significant increase in maintenance-related GHG emissions reflects the strong growth in this activity in the Chinese entity, in particular.

Lastly, GHG emissions related to the use of terminals and related services, as well as the processing of end-of-life products, reflect the increase in the number of installed terminals (+17% between 2015 and 2014).

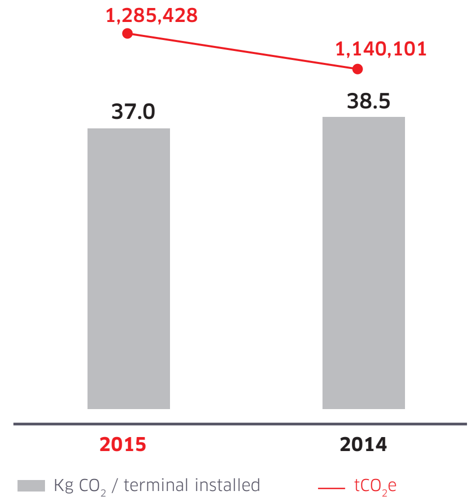
Terminal production



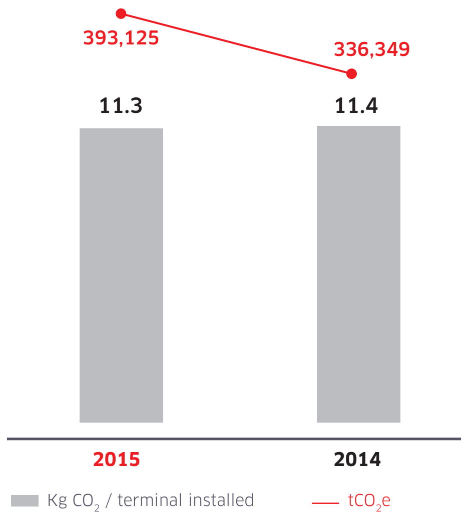
Terminal delivery



Total GHG emissions



Energy consumption of terminals

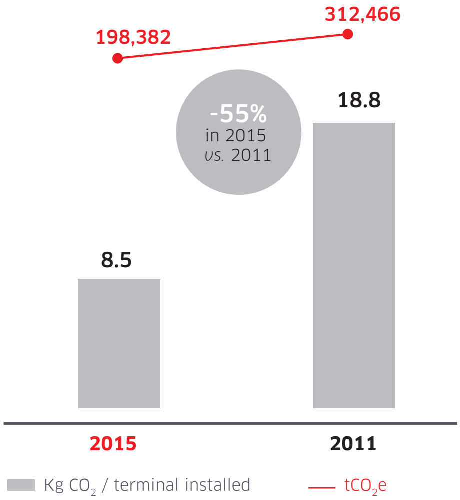


The growth of the Group's business led to an upward trend in total GHG emissions in 2015 compared with 2014 (on a like-for-like basis). This increase (+13%), however, is slower than the increase in the Group's revenue (+37%) and the installed base of terminals (+17%).

Greenhouse gas reduction targets

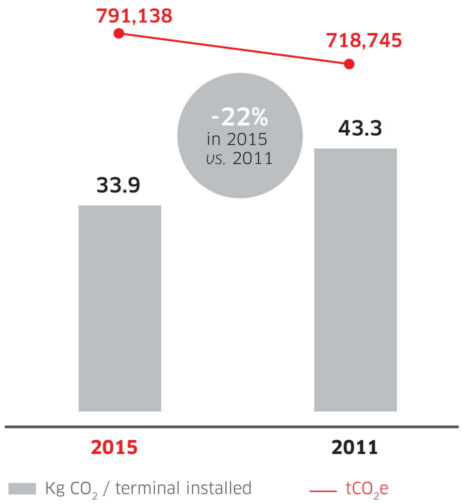
In 2013, Ingenico Group set two GHG emissions reduction targets. The Group's first target was to achieve a 40% reduction in the GHG emissions associated with the average consumption of the terminals in use by 2015 (based on an equivalent scope to 2011). In 2015, by optimizing the energy efficiency of terminals, the Group achieved and even exceeded this target, reducing its GHG emissions by 55%.

GHG emissions related to the energy consumption of terminals between 2011 and 2015 (like-for-like)



The second target set by Ingenico Group in 2013 was to reduce total GHG emissions per terminal in use by 20% by the end of 2015 (based on an equivalent scope to 2011). In 2015, Ingenico Group also met its commitments for this scope, reducing its GHG emissions by 22%.

Total GHG emissions between 2011 and 2015 (like-for-like)



Ingenico Group's commitments in this area have been recorded and published on the United Nations (UN) NAZCA portal.

2.5.4.3 Other Ingenico Group commitments

United Nations Global Compact

In 2015, Ingenico Group decided to support the United Nations Global Compact with a view to further strengthening the Group's commitments to sustainable development. By signing up to the leading global corporate social responsibility initiative, Ingenico Group is setting out various commitments, including aligning the Group's operations and strategy with the universal principles relating to the environment, adopting measures to advance the Group's objectives and communicating on this regularly.

COP21 and We Mean Business

The year 2015 was marked by the 21st United Nations conference on climate change (COP21), which was held in Paris with a view to reaching a new international climate deal to limit global warming to less than 2°C. In this context, Ingenico Group wanted to take part in a number of initiatives to contribute towards this collective effort and enable the negotiations to progress by demonstrating its leadership in managing its carbon emissions to the leaders responsible for signing this agreement. The Group, through its Chairman and Chief Executive Officer, decided to support the Business Proposals for COP21 initiative, in addition to a We Mean Business coalition action to combat climate change.

This voluntary commitment by Ingenico Group is based on providing access to information covering the impacts of the Group's activities on climate change. We Mean Business aims to unite businesses together and communicate on the private sector's actions regarding climate change.

CDP

In 2015, Ingenico Group once again took part in the CDP, an internationally recognized evaluation set up by an independent NGO that works with global investors to advance investment opportunities and mitigate the risks posed by climate change. This evaluation, a benchmark in this field, allows institutional investors to assess the climate change policies, CO_2 emissions and energy consumption of over 5,000 listed companies worldwide. The Group achieved a significant improvement in its performance and transparency between 2013 and 2015, and is ranked among the leaders with a rating of 97B.

2.5.4.4 Regulatory assessment and compliance

Ingenico Group monitors emerging regulatory developments and takes action to ensure that it is in compliance with current legal requirements related to the environment. The regulations in Europe are the most stringent and are constantly being reinforced. Ingenico Group's primary aim is to ensure that its products comply with relevant regulations, particularly as regards its suppliers and subcontractors, and to take a proactive approach in several areas:

- the RoHS2 (Restriction of Hazardous Substances) directive aims to reduce the use of certain substances that are hazardous to human health and the environment and that can be found in electrical and electronic equipment (lead, mercury, cadmium, hexavalent chromium and brominated flame retardants). In 2015, all of the products delivered by Ingenico Group were in compliance with this legal requirement. In 2015, the European Commission made changes to the list of hazardous substances subject to restricted use in electrical and electronic equipment. Applicable from 2019, Ingenico Group will actively work with its industrial partners to ensure compliance with this requirement in line with the timescales set;
- the REACH (Registration, Evaluation, Authorization and restriction of CHemicals) regulation requires that information be provided throughout the supply chain if any so-called Substances of Very High Concern (SVHC) are used in the manufacturing of products, and that the ECHA (European Chemicals Agency) be notified accordingly. In 2015, Ingenico Group carried out inspections of its suppliers and performed laboratory tests to ensure that no substance on the SVHC list, which is updated on a regular basis by the ECHA, can be found in Ingenico Group products in proportions exceeding the information and/or declaration thresholds set forth by this regulation;
- the WEEE (Waste Electrical and Electronic Equipment) directive, applicable in the European Union, requires manufacturers of electrical and electronic equipment to

organize and finance the collection, treatment and disposal of their end-of-life products. Ingenico Group provides a specific process to its customers for the collection and recycling of their end-of-life terminals and complies with the requirements to inform users, recyclers and local authorities in accordance with this directive;

- the Batteries and Accumulators directive regulates the use of certain hazardous substances and mandates the collection, treatment and disposal of this type of waste, including any which may be incorporated into electrical and electronic products. Ingenico Group complies with the design and information requirements of this directive and ensures the recycling of accumulators contained in Ingenico terminals;
- the Packaging directive seeks to reduce, at the source, the weight and volume of packaging required for products and to minimize health hazards by limiting the presence of heavy metals. Ingenico Group ensures that these requirements are taken into account by its packaging suppliers;
- the ErP (Energy related Products) directive establishes a framework for the eco-design of energy related products. Ingenico Group carefully monitors the measures published by the European Commission and, although none of these measures currently apply to Ingenico Group, strives to uphold their eco-design principles in its new product ranges.

Above and beyond any applicable regulatory requirements, Ingenico Group also works to encourage the use of thermal paper containing no bisphenol A in its terminals.

Ingenico Group has access to tools dedicated to regulatory monitoring to ensure that the Group remains aware of environmental regulations applicable to the Group's activities.

2.5.4.5 Preventing and reducing environmental risks

The Group's business activities do not represent a significant risk to the environment, as Ingenico Group does not manufacture most of the products that it sells and distributes. Nevertheless, initiatives have been put in place to prevent and reduce such risks. Ingenico Group ensures that it works with industrial partners who offer all of the guarantees required with regard to environmental protection. This is reflected in clear environmental requirements for the Group's subcontractors and suppliers, as well as ISO 14001 environmental certification or commitments under the Electronic Industry Citizenship Coalition (EICC) code of conduct (for further details, see section 2.4.5, "Supply chain management"). In addition, the Group is reliant on external service providers for laboratory tests, environmental regulatory monitoring, advice on environmental matters and ISO 14001 environmental certification. All of these initiatives support Ingenico Group's focus on preventing environmental risks and reducing the impact of its business on the environment.

The Group also intends to improve environmental awareness among its employees. To this end, Ingenico Group encourages its employees to adopt environmentally friendly practices in their daily activities to reduce paper consumption, travel, and energy consumption, and to promote waste sorting. In 2015, the Chinese entity organized outdoor activities and short family breaks with a view to making employees and their children more aware of the importance of protecting the environment and the impacts of climate change.

2.5.4.6 Provisions and warranties for environmental risks

Ingenico Group is not aware of any environmental disputes or environmental situations that could adversely affect the Group's holdings or financial results or impact the use of its property, plant and equipment. Accordingly, no provision for environmental risks was recognized in the 2015 financial statements.

2.6 Assurance report by the appointed Independent Third Parties, on the consolidated labour, environmental and social information presented in the management report

Year ended 31 December 2015

This is a free translation into English of the designated independent third party's report issued in French and it is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as independent third party of the company Ingenico Group S.A., accredited by the COFRAC registered under number 3-1049[1], and member of the KPMG International network as your statutory auditor, we hereby present to you our report on the consolidated labour, environmental and societal information (hereinafter the "CSR Information") for the year ended 31 December 2015, presented in the management report. This report has been prepared in accordance with Article L.225-102-1 of the French Commercial Code.

Responsibility of the Company

The Board of directors is responsible for preparing the Company's management report including CSR Information in accordance with the provisions of Article R.225-105-1 of the French Commercial Code and with the guidelines used by the Company (hereinafter the "Guidelines"), summarized in the management report and available on request from the Company's head office.

Independence and quality control

Our independence is defined by regulations, the French code of ethics governing the audit profession and the provisions of Article L.822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional auditing standards and applicable law and regulations.

Responsibility of the independent third party

On the basis of our work, it is our responsibility to:

- attest that the required CSR Information is presented in the management report or, in the event that any CSR Information is not presented, that an explanation is provided in accordance with the third paragraph of Article R.225-105 of the French Commercial Code (Statement of completeness of CSR Information);
- express limited assurance that the CSR Information, taken as a whole, is presented fairly, in all material respects, in accordance with the Guidelines (opinion on the fair presentation of the CSR Information).

Our work involved the expertise of seven people between November 2015 and February 2016 for a total duration of around three weeks. We called upon our specialists in Corporate Social Responsibility to assist in carrying out our work.

We performed the procedures below in accordance with professional auditing standards applicable in France, with the decree dated 13 May 2013 determining the manner in which the independent third party should carry out their work, and with International Standard ISAE 3000[2] concerning our opinion on the fair presentation of CSR Information.

1. Statement of completeness of CSR Information

Nature and scope of the work

We reviewed, on the basis of interviews with the managers of the relevant departments, the Company's sustainable development strategy with respect to the social and environmental impact of its activities and its societal commitments and, where applicable, any initiatives or programmes it has implemented as a result.

We compared the CSR Information presented in the management report with the list provided in Article R.225-105-1 of the French Commercial Code.

For any consolidated information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the consolidated scope, *i.e.* the Company, its subsidiaries as defined by Article L.233-1 and the entities it controls as defined by Article L.233-3 of the French Commercial Code, within the limitations set out in the part "Scope and methodology" presented in the section 2.2 of the management report.

Conclusion

Based on these procedures and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

(1) Forwhich the scope is available on the site www.cofrac.fr.

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

2. Opinion on the fairness of the CSR Information

Nature and scope of the work

We conducted ten interviews with the people responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, with those responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, impartiality and understandability, taking into account best practice, where appropriate;
- verify that a data-collection, compilation, processing and control procedure has been implemented to ensure the completeness and consistency of the CSR Information and review the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information with respect to the characteristics of the Company, the social and environmental impact of its activities, its sustainable development strategy and industry best practice.

With regards to the CSR Information that we considered to be the most important:

- at the consolidation level, including the parent company, subsidiaries and controlled entities, we consulted documentary sources and conducted interviews to substantiate the qualitative information (organization, policy, action), we performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and consolidation of the data. We also verified that the data was consistent by cross-checking it with other information in the management report;
- at the entity level for a representative sample of entities selected[1] on the basis of their activity, their contribution to the consolidated indicators, their location and risk analysis, we conducted interviews to verify that the procedures were followed correctly and to identify any undisclosed data, and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The selected sample represents 24% of headcount, between 24% and 100% of quantitative environmental information published.

Labour information	Reporting scope
Headcount at 31/12 and breakdown of the workforce by age, gender and geographical area Percentage of part-time workers Layoffs and new hires (individual and collective)	Ingenico Group
Total hours of training	Ingenico Group excluding India, Russia and Global Collect entities (except Global Collect Services B.V. in the Netherlands that is included)

Environmental Information	Reporting scope
Percentage of payment terminals made in ISO 14001-certified plants Greenhouse gas emissions	Ingenico Group
Energy consumption: electricity and gas consumption End-of-life products (WEEE) collected and treated Hazardous waste collected and treated	Ingenico Group excluding Global Collect entities (except Global Collect Services B.V. in the Netherlands that is included)

*(1) Labour information: Ingenico Group S.A. in France and Global Collect Services B.V. in the Netherlands.
Environmental information: Ingenico Group S.A. in France, Ingenico Canada Ltd. in Canada and Ingenico Iberia, S.L. in Spain.*

Qualitative information

Labour	Policies implemented regarding training Promotion and compliance with ILO fundamental conventions relative to the freedom of association and recognition of the right to collective bargaining, the elimination of discrimination in respect of employment and occupation, the elimination of all forms of forced labour and the abolition of child labour
Environment	The organisation of the Company to integrate environmental issues and, if appropriate, the assessments and certification process regarding environmental issues Consumption of raw materials and measures implemented to improve efficiency in their use
Social	Consideration, in the relationship with subcontractors and suppliers of their social and environmental responsibility Importance of subcontracting and consideration, in the relationship with subcontractors and suppliers of their social and environmental responsibility Measures implemented to promote consumers health and safety

For the other consolidated CSR information, we assessed its consistency based on our understanding of the Company.

We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, based on our professional judgement, were sufficient to enable us to provide limited assurance; a higher level of assurance would have required us to carry out more extensive work. Due to the use of sampling techniques and other limitations intrinsic to the operation of information and internal control systems, we cannot completely rule out the possibility that a material irregularity has not been detected.

Conclusion

Based on our work, we did not identify any material anomaly likely to call into question the fact that the CSR Information, taken as a whole, is presented fairly in accordance with the Guidelines.

Paris La Défense, 19 February 2016

French original signed by:

KPMG SA

Anne Garans	Frédéric Quelin
Partner	*Partner*
Climate Change & Sustainability Services	

3 CORPORATE GOVERNANCE

3.1 Report of the Chairman of the Board of Directors on corporate governance and on internal control and risk management procedures

To the Shareholders,

In line with the provisions of Article L.225-37 of the French Commercial Code, the Chairman of the Board of Directors presents his report for 2015 on the composition of the Board of Directors, the application of the principle of equal representation of men and women thereon, how it prepares and organizes its work and the internal control and risk management procedures implemented within the Company.

The Chairman of the Board has written his report in close cooperation with the Group's main functional and operational departments, namely the Audit and Internal Control, Finance, and Human Resources Departments. The back-and-forth process between the Chairman of the Board and these Departments enhances comprehension and provides an accurate picture of the operations involved and the relevant procedures implemented in the Group.

In accordance with Article L.225-235 of the French Commercial Code, the Company's statutory auditors have reported on the information contained in this report on the internal control procedures implemented by the Company in preparing and processing accounting and financial information and confirmed that this report contains the other disclosures required by Articles L.225-37 and L.225-68 of the French Commercial Code.

This report was approved by the Board of Directors on February 18, 2016.

3.1.1 Governance structure

3.1.1.1 Corporate Governance Code

As part of its corporate governance initiatives, the Company has established a set of measures in accordance with the AFEP-MEDEF Code which inspired the drafting and updating of the Company's Articles of Association and Rules of Procedure of the Board of Directors. In the same manner, the Company has opted to refer to the AFEP-MEDEF Corporate Governance Code for listed companies (the "AFEP-MEDEF Code"), which was last updated in November 2015. The Code is available on the websites of both AFEP (www.afep.com) and MEDEF (www.medef.com).

3.1.1.2 Implementation of the "apply or explain" rule

In accordance with the "apply or explain» rule in Article L.225-37 of the French Commercial Code and Article 25.1 of the AFEP-MEDEF Code, the Company considers that, other than the exceptions listed in the table below alongside detailed, clear and relevant explanations, it is in compliance with the corporate governance laws and guidelines that in force in France.

AFEP-MEDEF recommendation not followed	Ingenico Group's practice and explanation
Severance benefits (§ 23.2.5) The severance benefits for an executive director should only be authorized in the event of a forced departure, regardless of the form taken by this departure, that is related to a change in control or strategy.	As at December 31 2015, the severance package for the Chairman and CEO did not stipulate, that it will only be payable in the event of forced departure related to a change of control or strategy. However its terms was, amended by the Board of Directors on February 29, 2016 in accordance with the provisions of Article 23.2.5 the AFEP-MEDEF Code (for details, see section 3.3.1 of this Registration Document).
Composition of the Board of Directors (§ 6.4) The objective with regard to the representation of men and women is for every company board to achieve and maintain a proportion of at least 40% women or a difference of no more than two (2) between the directors of each sex following the Annual General Shareholders' Meeting of 2016.	Pursuant to French Law No. 2011-103 of January 27, 2011 on balanced gender representation on boards of directors and supervisory boards and gender equality, three (3) of the eight (8) members of the Company's Board of Directors were women as at December 31, 2015. If the AFEP-MEDEF recommendation is not met by the close of the Annual General Shareholders' Meeting of April 29, 2016, the Board of Directors shall ensure, based on the recommendations of the Compensation, Appointments and Governance Committee, that the proportion of 40% or the aforementioned maximum statutory difference is achieved no later than the Annual General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2016.

3.1.1.3 Organization of powers

The Company is a public limited company with a Board of Directors and a Management Board.

Combining the functions of Chairman and Chief Executive Officer

On January 20, 2010, the Board of Directors combined the positions of Chairman and Chief Executive Officer, which had been separate since 2004. Since that decision was made, Philippe Lazare has been the Chairman and Chief Executive Officer.

This option, which is also that most often chosen by French listed companies with a Board of Directors, was made in a constantly changing and particularly competitive environment to ensure greater consistency between strategic and operational functions and to simplify the decision-making process in the interests of greater efficiency, thereby ensuring compliance with best governance practices.

The governance structure implemented within the Group is in strict compliance with the authority delegated to each of the Company's various bodies, as provided by French law. It includes:

- a Board of Directors on which the majority of the members are independent (75% as at the date of this Registration Document);
- a Group strategy that involves every member of the Board;
- attendance on special focus committees of the Board of Directors that are largely made up of independent members (95% as at the date of this Registration Document);
- limits on the powers of the Chairman and Chief Executive Officer (detailed below), including the requirement to notify or request the prior approval of the Board of Directors for the most significant transactions;
- a formal annual performance evaluation of the Board of Directors by all of the directors, except for the Chairman and Chief Executive Officer (see section 3.1.4.4 of this Registration Document).

The Chairman and Chief Executive Officer is not a member of any of the Board of Directors' special focus committees.

Powers of the Chairman and Chief Executive Officer

The Chairman and Chief Executive Officer is vested with the broadest powers to act in the Company's name in all circumstances. He exercises these powers within the scope of the Company's corporate purpose and subject to the powers expressly granted by law to Shareholders' Meetings and to the Board of Directors.

He represents the Company in its relations with third parties. The Company is responsible for the actions of the Chairman and Chief Executive Officer that do not fall within the corporate purpose, unless it proves that the third party knew that the act exceeded that purpose or could not have been unaware of it under the circumstances, on the proviso that the mere publication of the Articles of Association shall not constitute such proof.

Limits on the powers of the Chairman and Chief Executive Officer

The limits placed by the Board of Directors on the powers of the Chairman and Chief Executive Officer are described in Article 2 of the Board's Rules of Procedure and are reviewed below.

The consent of the Board of Directors is required before the Chairman and Chief Executive Officer may appoint any person to act as a permanent representative of the Company or of companies that it controls directly or indirectly, as defined in Article L.233-3 of the French Commercial Code, to the Board of Directors or the Supervisory Board of any company that is not directly or indirectly controlled by the Company. The Board of Directors shall base its decision on any proposals or opinions issued by the Compensation, Appointments and Governance Committee.

Prior authorization from the Board of Directors is also required for any related party agreement in accordance with Articles L.225-38 *et seq*. of the French Commercial Code. This includes any "golden parachute" or "additional retirement" agreements in favor of the Chairman and Chief Executive Officer or a Deputy Chief Executive Officer involving compensation or benefits due upon the termination of their duties or thereafter.

The prior consent of the Board is also required for the following:

(i) setting the consolidated budget for the year;

(ii) setting the consolidated business plan;

(iii) any investment, divestiture, acquisition of equity interests or assets, contribution or disposal of assets, merger, demerger or partial contribution of assets in an amount exceeding €25 million;

(iv) any application for a loan exceeding €35 million or any issuance of bond debt or other long-term liabilities exceeding €35 million;

(v) any financial transaction liable to have a material effect on Ingenico Group's strategy and scope of business and involving an amount in excess of €50 million;

(vi) any financial transaction involving an amount in excess of €100 million;

(vii) any capital increase or series of capital increases liable to modify the total share capital and/or voting rights in Ingenico Group by more than 10% during a period of less than twelve consecutive months, and not entailing preferential subscription rights for existing shareholders;

(viii) any capital increase or series of capital increases liable to modify the total share capital or voting rights in Ingenico Group by more than 20 % during a period of less than twelve consecutive months, even with preferential subscription rights for existing shareholders maintained; and

(ix) any material transaction outside of the Group's strategy, in accordance with the AFEP-MEDEF Code.

Neither the provisions of these Articles nor any Board resolutions limiting the Chairman and Chief Executive Officer's powers are enforceable against third parties.

Powers of the Deputy Chief Executive Officers

In agreement with the Chairman and Chief Executive Officer, the Board shall determine the extent and term of the powers vested in Deputy Chief Executive Officers. The Deputy Chief Executive Officers have the same powers as the Chairman and Chief Executive Officer with respect to third parties.

They are vested with the broadest powers to act in the Company's name in all circumstances. They exercise these powers within the scope of the Company's corporate purpose and subject to the powers expressly granted by law to Shareholders' Meetings and to the Board of Directors.

They represent the Company in its relations with third parties. The Company is responsible for the actions of the Deputy Chief Executive Officers that do not fall within the corporate purpose, unless it proves that the third party knew that the act exceeded that purpose or could not have been unaware of it under the circumstances, on the proviso that the mere publication of the Articles of Association shall not constitute such proof.

On the date that this report was prepared, the Board had not appointed a Deputy Chief Executive Officer.

3.1.2 Composition of the Board of Directors – directors and executive officers

3.1.2.1 Rules for the composition of the Board of Directors

The composition of the Company's Board of Directors and executive management bodies is determined by the applicable laws and regulations, by the Articles of Association of the Company as well as by the Rules of Procedure of the Board of Directors, the main clauses of which are summarized or reproduced below.

Appointment of directors: in accordance with the Articles of Association, the Company is administered by a Board consisting of at least three (3) and at most thirteen (13) members appointed from among the shareholders.

The directors are appointed by the General Meeting and can be removed by it. The term of office for directors is four years. It is proposed to the Combined Ordinary and Extraordinary Shareholders' Meeting of April 29, 2016 to reduce the term of office of directors to three years (on the understanding that the current directors will serve out their terms) and to allow the reappointment of directors for a term of one or two years, exclusively to establish and maintain a system whereby directors' terms of office are renewed on a rotating basis. Plurality of offices as a Director of the Company and of several other *sociétés anonymes* (public limited companies) is allowed only within the limits permitted by law.

A Company employee may only be appointed to the Board of Directors if their employment contract predates this appointment and corresponds to an actual job position. The employee-director does not lose the benefit of his or her employment contract. The number of directors bound to the Company by employment contracts may not exceed one third of all directors in office. Any appointment made in violation of the above provision shall be declared null and void. However, this does not render null and void the proceedings in which the improperly appointed director has taken part. At December 31, 2015, the Company's Board of Directors did not include employee shareholders appointed as directors pursuant to Article L.225-23 of the French Commercial Code, or a director elected by the employees in accordance with the provisions of Article L.225-27-1 of the French Commercial Code.

In the event of the death or resignation of a director, the Board of Directors may make a provisional appointment between two Shareholders' Meetings. Any such provisional appointment must be ratified by the next Meeting of Shareholders. Even if the Meeting does not ratify the appointment, the prior proceedings and acts of the Board of Directors shall be considered valid.

When the number of directors in office drops below three, the remaining directors must immediately convene a Shareholders' Meeting in order to restore Board membership to the required minimum.

Age limit: in accordance with the Articles of Association, the number of directors (individuals or representatives of legal entities) over 75 years of age may not exceed one third, rounded up to the next whole number, of directors in office on the date of the Annual General Shareholders' Meeting convened to approve the annual financial statements. When this recommended number has been exceeded, the oldest director, except for the Chairman, shall be deemed to have resigned.

Directorships held by legal entities: in accordance with the Articles of Association, as soon as a company is appointed to the Board of Directors, it must designate a physical person as its permanent representative who shall be subject to the same conditions and obligations and have the same duties as any individually appointed director, without prejudice to the joint and several liability of the legal entity represented. When a legal entity dismisses its permanent representative, it must at the same time provide for a replacement. The same applies in the event of death or resignation of the permanent representative.

Share ownership by directors: each director must own at least ten (10) shares. These shares must be held in registered form and fully paid up. This requirement does not apply to employee shareholders who have been appointed to the Board of Directors under Article L.225-23 of the French Commercial Code.

Directors appointed during the life of the Company who were not shareholders at the time of their appointment must acquire the minimum number of shares required within six months of their appointment. Should this requirement not be fulfilled, said directors shall be deemed to have resigned.

In addition to the ten (10) shares specified in Article 12 of the Articles of Association, each director agrees to hold one thousand (1,000) shares as of the beginning of their term of office in accordance with the Rules of Procedure of the Board of Directors.

Also in accordance with the Rules of Procedure, each independent advisor shall pledge to hold five hundred (500) shares as of the beginning of their term of office.

These shares must be registered shares that are fully paid up.

This requirement does not apply to employee shareholders who may be appointed to the Board of Directors under Article L.225-23 of the French Commercial Code.

Chairman of the Board of Directors: the Board of Directors shall elect one of its members Chairman for the term of office which it sets but which may not exceed their term of office as director. This position must be occupied by an individual, or the appointment shall be declared null and void. The Chairman may be re-elected for an indefinite number of terms.

The Board may also appoint a secretary, who need not be a Board member.

The Chairman's term of office expires by right at the first Annual Meeting of Shareholders held during the year of his seventy-fifth birthday.

Deputy Chairman: in the event of the temporary unavailability or death of the Chairman, the Board of Directors may appoint a director to fulfill the functions of the Chairman of the Board. If unavailable, this appointment is renewable. In the event of death, it shall be valid until a new Chairman is elected.

Independent advisors: the Board may appoint one or more independent advisors for a term of four years upon proposal by its Chairman. Their role is to advise the Board of Directors on company policy and direction, based on their experience or particular skills. The independent advisor(s) may only take part in the proceedings of the Board of Directors in an advisory capacity. The Board of Directors therefore closely scrutinizes all appointment recommendations to ensure that the candidate possesses the skills and the expertise required to assist it. It is proposed to the Combined Ordinary and Extraordinary Shareholders' Meeting of April 29, 2016 to reduce the term of office of independent advisors to three years, to align it with that of the directors.

3.1.2.2 Representation of men and women on the Board of Directors

The Board of Directors ensures compliance with the principle of equal representation of women and men thereon. As of the date of this Registration Document, the composition of the Board is compliant with Law Nº 2011-103 of January 27, 2011 and with the AFEP-MEDEF Code with respect to equal representation of women and men on boards of directors and supervisors and with professional equality, inasmuch as three of the Board's eight members, or one-third of the total, are women. The maximum gap between directors of each gender (two) is therefore respected. In the event that the AFEP-MEDEF recommendation is not met by the close of the Annual General Shareholders' Meeting of April 29, 2016, the Board of Directors shall ensure that, based on the recommendations of the Compensation, Appointments and Governance Committee, the proportion of 40% or the aforementioned maximum statutory difference is achieved no later than the Annual General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2016.

3.1.2.3 Employee representation on the Board of Directors

Directors elected to represent employees

As at December 31, 2015, Company does not fall within the scope of application of Article L.225-27-1 of the French Commercial Code providing for mandatory employee representation on the Board of Directors of public limited companies that reach a certain size. The Company's Board of Directors therefore has no director representing the employees.

Directors elected to represent employee shareholders

The Company does not fall within the scope of application of Articles L.225-23 and L.225-71 of the French Commercial Code which provides that, in companies listed on a regulated market where the employee shareholding (as defined in Article L.225-102 of the French Commercial Code) exceeds three percent of the Company's share capital, the shareholders must appoint one or more directors representing the employee shareholders to the Board of Directors.

The Board of Directors therefore has no directors representing employee shareholders of the Company.

3.1.2.4 Composition of the Board of Directors at December 31, 2015

At December 31, 2015, the Board of Directors was composed of eight (8) directors appointed by the Annual General Shareholders' Meeting, and one independent advisor:

Name	Age	Position	First appointment/ Last renewal	Term expires at close of meeting called to approve the financial statements for FY	Number of shares held as of the date of this Registration Document
Philippe LAZARE	59	Chairman and Chief Executive Officer and director*	March 15, 2006 – May 3, 2012	2015	405,813
Jean-Louis CONSTANZA	54	Independent director	May 7, 2014	2017	1,050
Diaa ELYAACOUBI	45	Independent director	April 28, 2011 – May 3, 2012	2015	1,642
Colette LEWINER	70	Independent director	October 22, 2015	2017	1,010
Xavier MORENO	67	Independent director	March 14, 2008 – May 7, 2014	2017	2,129
Florence PARLY	52	Independent director	May 3, 2012	2015	1,010
Thibault POUTREL	38	Director	February 6, 2002 – May 3, 2012	2015	1,010
Élie VANNIER	66	Independent director	March 14, 2008 – May 7, 2014	2017	2,222

* *Philippe Lazare's functions as Chairman and Chief Executive Officer will cease with his term of office as director.*

William Nahum was appointed as an independent advisor by the Board of Directors on March 15, 2006. He was reappointed for a term of four years by the Board of Directors on February 18, 2016. As at December 31, 2015, Mr. Nahum held 525 Company shares.

3.1.2.5 Changes in the composition of the Board of Directors in 2015

The changes in the composition of the Board of Directors following the Annual General Shareholders' Meeting in 2015 were as follows:

	Comments
Departures	
Jean-Pierre COJAN and Celeste THOMASSON	Celeste Thomasson and Jean-Pierre Cojan resigned from their directorships on May 19, 2015.
Appointment	
Colette LEWINER	The Board of Directors made a provisional appointment on October 22, 2015 of a new independent director to replace Celeste Thomasson, a non-independent director, in order to comply with the recommendations of the AFEP-MEDEF Code. This provisional appointment will be subject to ratification by the Combined Ordinary and Extraordinary Shareholders' Meeting of April 29, 2016. The term of office will expire at the close of the meeting to be held in 2018 to approve the financial statements for the previous year.

3.1.2.6 Specific information on directors

Address of directors

The address of the Company shall be the business address of the directors.

Nationality of directors

All the directors hold French citizenship.

Directorships and offices

The Company's executive director (CEO) holds no directorships in listed companies, including foreign companies, not affiliated with the Group.

The list of directorships and offices of each director can be found in section 3.2 of this Registration Document.

Convictions, bankruptcies, official public indictments and/or sanctions

To the best of the Company's knowledge and on the date this Registration Document was prepared, none of the directors, over the past 5 years:

- has been convicted of fraud;
- was associated with a bankruptcy, receivership or liquidation;
- has been the subject of an official public indictment or sanction by any statutory or regulatory authority;
- has been disqualified by a court from acting as a member of an administrative, management or supervisory body or from acting in the management or conduct of the affairs of any issuer.

Conflict of interest

On the date of filing this Registration Document, Thibault Poutrel indirectly held 1.4% of Cryptolog International's share capital. This agreement is duly referred to in the statutory auditors' special report on related party agreements and commitments.

Service contracts

During the last fiscal year, no Board member entered into a service contract with the Company or with Group companies providing benefits upon termination of the contract.

3.1.2.7 Independence of directors

Ingenico Group is a widely held corporation without a controlling shareholder as defined in Article L.233-3 of the French Commercial Code. According to the AFEP-MEDEF Code, in companies with controlling shareholders, independent directors should account for at least half of the Board members.

The AFEP-MEDEF criteria to be fulfilled for a director to qualify as independent are the following:

- not to be an employee or executive director of the Company, the parent company or one of its consolidated affiliates, either currently or within the past five years;
- not to be an executive director of a company in which the Company holds, directly or indirectly, a directorship or in which an employee appointed as such or an executive director of the Company (either currently or within the past five years) holds a directorship;
- not to be a customer, supplier, investment banker or commercial banker that is material to the Company or the Group, or for a significant part of whose business the Company or the Group accounts;
- not to be related by close family ties to an executive director;
- not to have been an auditor of the Company within the previous five years;
- not to have been a director of the Company for more than twelve years.

Directors representing major shareholders of the Company may be considered independent provided that they do not exercise control over the Company. However, when the shareholding exceeds 10% of the share capital or voting rights, the Board of Directors should systematically review whether the director still qualifies as independent, taking into consideration the Company's ownership structure and any potential conflict of interest.

The Compensation, Appointments and Governance Committee discusses the qualifications for being considered an independent director and writes a report on this question for the Board of Directors. Every year, on the basis of this report, the Board of Directors reviews the extent to which each director fulfills the criteria for independence mentioned above.

On February 3, 2016, the Board of Directors reviewed the degree of independence of the directors on the basis of the above criteria and the report by the Compensation, Appointments and Governance Committee.

The criteria used to evaluate how significant the relationship of each independent director is with the Company or its Group were also discussed.

To date, no director has had a business relationship with the Company and therefore the Board of Directors has not set criteria to assess the material nature of business relationships.

According to the independence criteria defined by the AFEP-MEDEF Code, six members of the Board of Directors are considered independent:

AFEP-MEDEF independence criteria	Philippe Lazare	Jean-Louis Constanza	Diaa Elyaacoubi	Colette Lewiner	Xavier Moreno	Florence Parly	Thibault Poutrel	Élie Vannier
1. Not to be or have been, either currently or within the past five years:								
• an employee or executive director of the Company, the parent company or of one of its consolidated affiliates;	Yes	No	No	No	No	No	No	No
• an executive director of a company in which the Company holds a directorship or in which an employee or a director of the Company (either currently or within the past five years) holds or has held a directorship.	No	No	No	No	No	No	No	No
2. Not to be a customer, supplier, investment banker or commercial banker:								
• that is material to the Company or Group;	No	No	No	No	No	No	No	No
• or for a significant part of whose business the Company or the Group accounts.	No	No	No	No	No	No	No	No
3. Not to be related by close family ties to an executive director:	No	No	No	No	No	No	No	No
4. Not to have been an auditor of the Company within the previous five years:	No	No	No	No	No	No	No	No
5. Not to have been a director of the Company for more than twelve years:	No	No	No	No	No	No	Yes	No
6. Not to be a shareholder taking part in the control of the Company or its parent company (beyond 10% of the capital and voting rights):	No	No	No	No	No	No	No	No
Conclusions*	**NI**	**I**	**I**	**I**	**I**	**I**	**NI**	**I**

* *NI = Not independent – I = Independent*

The Board of Directors therefore has a majority of independent directors.

3.1.3 Ethical obligations imposed on directors

The Rules of Procedure of the Board of Directors lay out the main obligations imposed on directors, the rules of which are presented below.

The members of the Board of Directors are appointed for their expertise, their shareholder representation and the contribution they can make to the work of the Board.

Each member of the Board must be able to perform the duties of his/her directorship in accordance with the rules of independence, ethics and integrity.

In accordance with corporate governance principles, all directors perform their duties in good faith, in the manner they deem appropriate to promote the best interests of the Company and with the care expected of a normally prudent person in carrying out such a mandate.

Board members undertake, in all circumstances, to maintain their freedom of analysis, judgment, decision and action, and to reject any pressure, whether direct or indirect, that may be exerted on them.

Each member of the Board of Directors ensures compliance by the Company with its obligations and commitments, compliance with laws and regulations, especially with regard to transparency and communication to shareholders and in the implementation of good governance principles.

Information on members of the Board of Directors

Before accepting their assignment, each director must be aware of the laws and regulations related to their function, as well as any special requirements of the Company under its Articles of Association and of these Rules of Procedure with which they undertake to comply.

When appointed to the Board of Directors and, if deemed necessary, each director may also receive training on the specifics of the Company and the Group, their business, industry, organization and in particular their financial circumstances.

Defending the Company's interests

Each director represents all shareholders and must act at all times in the best interests of the Company. Each director undertakes to ensure that Company decisions do not favor one category of shareholders over another.

Conflict of interest (Article 13 of the Rules of Procedure of the Board of Directors)

Each member of the Board of Directors is required to disclose to the Board any real or potential conflict of interest in which they could be directly or indirectly involved. In all such cases, the Compensation, Appointments and Governance Committee shall examine the related risks. Depending on the nature and significance of the conflict identified, the Committee may recommend that the Board of Directors bar a particular director from taking part in decision-making by the Board on the specific issues in question or from attending Board meetings, or suspend that director from office for as long as the real or potential conflict of interest exists. The director concerned shall be required to comply with the requests of the Board of Directors in this matter.

Accountability of the Board of Directors

Directors must be attentive to how the powers and responsibilities of the Company's various bodies are defined and exercised.

In particular, they must ensure that no single person may have unlimited discretionary power over the Company; they must ensure the proper functioning of technical committees set up by the Board; they must ensure that the internal control bodies operate effectively and that the statutory auditors perform their duties satisfactorily.

The Board of Directors conducts an annual review of the internal control procedures implemented by the Company.

The Board of Directors also reviews its operations on an annual basis.

The Board of Directors periodically evaluates its own performance. This process is led by the Chairman of the Board and another Board member who is also a member of the Compensation, Appointments and Governance Committee. These evaluations are primarily concerned with ensuring compliance with the rules of transparency, ethics and the prevention of risks encountered by the Company.

In accordance with the law, information on the work of the Board and its Rules of Procedure, as well as the ensuing actions, are presented in this report.

Attendance of members of the Board of Directors

Each of the directors must devote the necessary time and attention to their duties and attend Annual General Shareholders' Meetings.

Transactions involving the Company's shares

In accordance with Article L.621-18-2 of the French Monetary and Financial Code and under the conditions defined by applicable law, each director, and anyone with close personal ties thereto, must report directly and simultaneously to the AMF (the French financial markets authority) and the Company any transaction they have carried out involving the Company's shares (purchases, sales, subscriptions, exchanges of shares, transactions in financial instruments linked to the shares).

In its management report, the Board of Directors must inform the Annual General Shareholders' Meeting of such transactions carried out during the previous calendar year by the directors, people personally connected to them, as well as by non-executive directors referred to in paragraph b) of Article L.621-18-2 of the French Monetary and Financial Code.

As provided in the Rules of Procedure, all Company shares owned by a Board member must be held in registered accounts.

Confidentiality – Inside information

The directors and any person attending meetings of the Board of Directors are bound by a duty of confidentiality regarding the proceedings of the Board and its committees.

Information provided to a member of the Board of Directors in his or her official capacity is said to be given on a personal basis (intuitu personae). They must protect its confidentiality and not disclose it under any circumstances. This obligation also applies to the representatives of any legal entity with a seat on the Board of Directors, as well as to independent advisors.

The information disclosed to members of the Board of Directors in their official capacity is subject to the provisions of Article L.465-1 of the French Monetary and Financial Code and Articles 621-1 to 622-2 of the AMF's General Regulations relating to inside information, abstention requirements and insider trading.

In particular, if the Board of Directors receives specific confidential information that may, at the time of its publication, significantly impact the share price of the Company, its subsidiary or an affiliated entity, the Board members must refrain from using this privileged information by purchasing or selling or attempting to purchase or sell, either directly or indirectly, on their own behalf or on behalf of a third party, the financial instruments to which this information pertains or financial instruments to which these instruments are related.

They must also refrain from:

- disclosing this information to another person outside the ordinary scope of their business, profession or duties or for any purpose other than that for which the information was disclosed to them;

- recommending to another person, based on inside information, to purchase or sell or to have another person purchase or sell the financial instruments to which this information pertains or financial instruments to which these instruments are related.

Failure to comply with these obligations is punishable by administrative and criminal penalties.

3.1.4 Organization and functioning of administrative and management bodies

The functioning of the Company's Board of Directors and executive management bodies is determined by the applicable laws and regulations, by the Articles of Association of the Company as well as by the Rules of Procedure of the Board of Directors, the main clauses of which are summarized or reproduced below.

3.1.4.1 Executive management

In accordance with the Articles of Association, day-to-day management of the Company shall be the responsibility of either the Chairman of the Board of Directors, or any other individual appointed by the Board of Directors and bearing the title of Chief Executive Officer.

The Board of Directors decides between the alternative arrangements for managing the Company mentioned above, in accordance with the quorum and majority requirements set forth in Article 12 of the Articles of Association. The shareholders and third parties shall be given notice of this decision, as provided for by a decree of the French Conseil d'État (Council of State).

On the date this document is prepared, the Chairman of the Board of Directors is responsible for the general management of the Company.

Chairman and Chief Executive Officer

The Board of Directors can remove the Chairman and Chief Executive Officer from office at any time.

An individual may not simultaneously hold more than one office as Chairman and Chief Executive Officer of *sociétés anonymes* (public limited companies) with their registered offices in France, except when the second office is held in a company controlled, within the meaning of "control" set forth in Article L.233-16 of the French Commercial Code, by the Company in which the first office is held.

The Chairman and Chief Executive Officer may not be more than 75 years of age.

At least once a quarter, the Chairman and Chief Executive Officer submits a report to the Board of Directors that includes the key figures for the main companies in the Group, most notably with respect to sales, profit and performance in relation to forecasts.

The Chairman and Chief Executive Officer regularly informs the Board of Directors of significant events and transactions related to the Company's strategy.

Once each half-year period, the Board of Directors examines the statement of the Group's off-balance sheet commitments presented by the Chief Financial Officer.

The Chairman and Chief Executive Officer also keeps the Board of Directors informed of any decision involving internal reorganization and any asset acquisition or disposal plans.

Furthermore, any accounting principles used that have a material impact on how the Group's financial statements are presented are formally validated by the Chief Executive Officer, reviewed by the Audit Committee in the presence of the statutory auditors and, if necessary, brought to the Board's attention at the discretion of the Audit Committee.

For closing dates that correspond to publications of financial statements, the Chairman and Chief Executive Officer and Finance Department explain the main accounting options and justify the choices ultimately made to the Audit Committee in the presence of the statutory auditors. The matter may be brought to the Board's attention at the discretion of the Audit Committee.

Deputy Chief Executive Officers

At the suggestion of the Chief Executive Officer, the Board may confer on one or more individuals the task of assisting the Chief Executive Officer, as Deputy Chief Executive Officer(s). The number of Deputy Chief Executive Officers may not exceed five.

The Board can remove Deputy Chief Executive Officers from office as proposed by the Chairman and Chief Executive Officer. When removed without due cause, Deputy Chief Executive Officers may claim damages.

Deputy Chief Executive Officers may not be more than 75 years of age.

The Board of Directors has not appointed a Deputy Chief Executive Officer.

3.1.4.2 Board of Directors

Convening meetings of the Board of Directors: a Board meeting can be convened by the Chairman or by half of the Board members as often as required in the interests of the Company and at least once each quarter, at a place specified in the notice of meeting. The Board decides how notice of meetings is to be given.

In accordance with the Rules of Procedure, meetings may be convened using any means, by the Chairman or on the Chairman's behalf by any person designated by him or, alternatively, at the request of half the members of the Board.

Every notice of meeting is accompanied by the Board's agenda.

At the end of each calendar year, the Board draws up a schedule of meetings for the following year, based on the Chairman's proposals, and indicates the topics to be discussed.

The following persons are called to Board meetings:

- the members of the Board of Directors;
- the independent advisor;

- as at December 31, 2015, of the three Works Council members chosen to represent the Council, two are in the managerial staff category, and one is in the technician and supervisor category. These representatives participate in Board meetings in a consultative capacity;
- the statutory auditors, but only if the meeting is called to examine or approve annual or interim financial statements (such as half-yearly statements) or for any other purpose that might require their presence.

Members of the Executive Committee, particularly the Chief Financial Officer, are regularly requested to take part in meetings when the agenda warrants it.

When the Board of Directors has not met for over two months, its members may request that the Chairman call a meeting with a specified agenda, provided that at least one third of all members sign the request.

The Chief Executive Officer may also request that the Chairman convene a Board meeting with a specific agenda.

The directors present at a Board meeting shall sign the attendance sheet.

Proceedings of the Board of Directors: the proceedings of Board meetings shall not be considered valid unless at least half of all Board members in office, and no fewer than two Board members, are present. Resolutions will be passed by a majority of the votes of members present or represented. If the votes are equal, the Chairman has a casting vote. When only two Board members are present, resolutions shall be passed by mutual agreement.

Pursuant to Article 12 of the Company's Articles of Association and the Rules of Procedure of the Board of Directors, directors shall be deemed to be present for calculating the quorum and majority if they take part in Board meetings via videoconferencing or other telecommunications systems allowing them to be identified and guaranteeing their effective participation, the conditions of which are set forth by the relevant statutory provisions, except when the Board meets for the matters referred to in Articles L.232-1 and L.233-16 of the French Commercial Code.

In accordance with the Rules of Procedure, decisions by the Board of Directors require a simple majority of those members present or represented, with the following exceptions:

a) decisions requiring a qualified majority in accordance with a delegation of powers granted by the Annual General Shareholders' Meeting;

b) decisions pertaining to the following matters (decisions requiring the prior approval of the Chief Executive Officer or, where applicable, the Deputy Chief Executive Officer(s), or any other decision of the Board of Directors on said matter(s):
  - any financial transaction liable to have a material effect on Ingenico Group's strategy and scope of business and involving an amount in excess of €50 million,
  - any financial transaction involving an amount in excess of €100 million,
  - any capital increase or series of capital increases liable to modify the total share capital and/or voting rights in Ingenico by more than 10% during a period of less than twelve consecutive months, and not entailing preferential subscription rights for existing shareholders, and
  - any capital increase or series of capital increases liable to modify the total share capital or voting rights in Ingenico by more than 20% during a period of less than twelve consecutive months, even with preferential subscription rights for existing shareholders maintained; and

c) decisions pertaining to the following matters:
  - the re-appointment, appointment or removal from office of the Chairman of the Board and/or the Chief Executive Officer of Ingenico Group,
  - any change in the Rules of Procedure of the Board of Directors liable to alter the qualified majority requirements and/or the list of matters requiring a decision by qualified majority,
  - any draft resolution submitted by the Board of Directors of Ingenico Group SA for approval by the Annual General Shareholders' Meeting that is liable to alter the qualified majority requirements for decisions by the Board of Directors of Ingenico Group SA and/or the list of matters requiring the Board of Directors of the Company to reach a decision by qualified majority.

The decisions referred to in points b) and c) must be made by a qualified majority equal to a whole number of votes greater than two thirds of the total number of all Board members present or represented at the meeting (with each Board member entitled to one vote).

In the event that a proposal to re-appoint or appoint the Chairman of the Board and/or the Chief Executive Officer is voted down, a new candidate must be proposed to the Board within five business days following said vote. In such a case, by exception to the preceding paragraph, the decision may be made by a simple majority of all Board members present or represented at the meeting.

In the event of a tie, the Chairman shall have a casting vote.

Minutes of the Board meeting proceedings shall be put in a special minute book and signed by the Chairman and at least one director.

Extracts or copies of said minutes shall be validly certified by the Chairman of the Board, the Chief Executive Officer, the Deputy Chief Executive Officers, or the director temporarily appointed as Deputy Chairman. In the event of liquidation, such extracts or copies shall be validly certified by the liquidator.

Powers of the Board of Directors: the Board of Directors determines the Company's strategy and oversees its implementation. Subject to the powers expressly granted to the Shareholders' Meetings and within the limit of the Company's corporate purpose, the Board deals with all matters concerning the smooth running of the Company and, through its decisions, manages the Company's business.

In its relationships with third parties, the Company shall be bound even by Board actions that are outside the scope of the Company's purpose, unless it can prove that the third party was aware that the action was outside the Company's purpose or could not be unaware of this given the circumstances, provided the mere publication of these Articles will be inadequate proof.

The Board of Directors performs any checks and verifications it considers appropriate. The Chairman or the Chief Executive Officer of the Company must provide each director with any documents and information required for the performance of their duties.

The Chief Executive Officer shall inform the Board on a regular basis of the resolutions planned or implemented by him as part of the management of the Company.

Any security, surety and guarantee provided by the Company must be approved by a resolution of the Board.

Chairman: the Chairman of the Board of Directors organizes and directs the work of the Board and reports on this to the Annual General Shareholders' Meeting. He ensures that the Company's various bodies are functioning properly and, in particular, that the directors are able to perform their duties.

The Chairman presents the directors and statutory auditors with the draft related-party agreements referred to in Articles L.225-38 *et seq*. of the French Commercial Code. He also informs the statutory auditors of any related-party agreement that has been approved by the Board of Directors and must be approved by the Ordinary General Shareholders' Meeting.

Information provided to each director: the on-going provision of timely information to the members of the Board of Directors is a vital prerequisite for the fulfillment of their mandate.

At any time during the year, the Board of Directors may conduct the verifications and controls it deems appropriate. To this end, any Board member may ask to be supplied with the documents needed to fulfill his or her mandate by submitting a request to the Chairman of the Board.

Insofar as it is possible, the Board members are informed no later than eight days prior to the date of the next Board meeting of all points to be discussed at that meeting, and they are supplied, within the same time limit, with any materials they may need to examine and understand the points on the agenda, so that they may properly fulfill their mandate. This obligation to provide adequate, relevant, exhaustive information is the responsibility of the Chairman of the Board and Chief Executive Officer since the Board combined these positions.

Prior to the meeting, each Board member is given a file containing the documents pertaining to the main points on the agenda.

Similarly, the Board members must make sure that they have all the information they need to fulfill their mandate. It is their duty to request any further information they may require.

Representation of members of the Board of Directors: any director has the option of authorizing, in writing (for example, by mail, fax or telegram), another director to represent them at a Board meeting. Each director is limited to having no more than one proxy at a given Board meeting.

3.1.4.3 Mandate of the Board of Directors

Within the framework of its legal prerogatives, the Board of Directors has the following responsibilities:

- to determine the Company's strategic policies and ensure that they are implemented;
- subject to the powers expressly assigned by law to the General Shareholders' Meetings, to concern itself with all issues related to the proper functioning of the Company and settle them through its proceedings;
- to examine all acts by which the various Group entities benefit from funding and guarantee instruments;
- to study all internal or external transactions likely to have a material impact on profits or to alter the balance sheet structure substantially;
- to carry out any controls and verifications it may deem appropriate.

Commitments by the Company to provide guarantee instruments may only be authorized by the Chief Executive Officer with the prior approval of the Board of Directors. In practice, each year, the Board of Directors sets a global amount and an amount per commitment, below which its prior approval is not required.

The Board of Directors also approves, in accordance with the procedure described in Article L.225-38 of the French Commercial Code, the agreements concluded between the Company and any of its executive officers, directors or shareholders holding more than 10% of the Company's voting rights, as well as any commitment made in favor of the Chairman or the Chief Executive Officer in the form of compensation or benefits payable awarded upon termination of their mandate or subsequently thereto.

It also makes the decisions in the aforementioned matters.

3.1.4.4 Activity of the Board of Directors during the year ended December 31, 2015

During the year ended December 31, 2015, the Board of Directors met eight (8) times.

The attendance rate of Board members, including members participating via telecommunications, during the year ended December 31, 2015 was 93.7% and breaks down as follows:

	Feb. 18, 2015	May 6, 2015	Jun. 18, 2015	Jul. 29, 2015	Sept. 8, 2015	Sept. 16, 2015	Oct. 22, 2015	Dec. 10, 2015	% Attendance
Philippe LAZARE	•	•	•	•	•	•	•	•	100%
Jean-Louis CONSTANZA	•	•	•	•	•	•	•	•	100%
Diaa ELYAACOUBI	•	•	•	•	•	•	•	•	100%
Xavier MORENO	•	•	•	•	•	•	•	•	100%
Colette LEWINER from October 22, 2015							•	•	100%
Florence PARLY	•	•	•	•	•	•	•	•	100%
Thibault POUTREL	•	•	•		•	•	•	•	87.5%
Élie VANNIER	•	•	•	•	•	•	•	•	100%
Jean-Pierre COJAN until May 19, 2015	•	•							100%
Celeste THOMASSON until May 19, 2015		•							50%

In addition to reviewing the specific work prepared by the special focus committees, during its meetings in the year ended December 31, 2015, the Board of Directors also dealt with the following matters:

- the approval of the parent company and consolidated annual financial statements for the year ended December 31, 2014, and the appropriation of net profit or loss;
- the selection of an independent director;
- the preparation of the Annual Combined Ordinary and Extraordinary Shareholders' Meeting: the Board of Directors drafted the resolutions to be submitted to the Annual Combined Ordinary and Extraordinary Shareholders' Meeting held on May 6, 2015, in addition to the management report and the Chairman's report on the composition of the Board of Directors, how it prepares and organizes its work and the Company's internal control and risk management procedures;
- the preparation of the advisory opinion on the "Say on pay" rule;
- the capital increase as part of the payment of stock dividends;
- the performance evaluation of the Board of Directors and its Committees;
- the review of the consolidated financial statements for the half-year ended June 30, 2015, and quarterly revenues;
- the approval of management planning documents;
- the review of various strategic investment or divestiture projects;
- tax-related issues, including tax disputes in Brazil;
- the authorization and renewal of the authorization to implement a share repurchase program, thus using the authorization granted by the Annual General Shareholders' Meeting of May 6, 2015;
- Company policy on gender equality and equal pay;
- the issuance of a convertible/exchangeable bond (OCEANE) in June 2015;
- the approval of the 2016 annual budget;
- the 2015 free share award plan (of performance shares);
- the early redemption of OCEANE convertible/exchangeable bonds.

Performance evaluation of the Board of Directors

In accordance with the AFEP-MEDEF Code and its Rules of Procedure, the Board of Directors annually evaluates how well it has met shareholder expectations, having been appointed by them to run the Company. This evaluation reviews its composition, organization and performance.

Once a year, the non-executive directors meet together without the Chairman and Chief Executive Officer to evaluate his performance.

At the beginning of 2016, the Board of Directors conducted an assessment of its performance during the 2015 financial year by means of a questionnaire completed by each director. The questions concerned the general functioning of the Board, its duties, the way its meetings were conducted, the resources available to the Board, the major themes addressed, relations with management and Committees. The directors and the independent advisor rated their performance on a scale of 1 (almost never/not satisfied) to 4 (always/very satisfied).

The assessment questionnaire allowed the Board to review its performance and to check that important issues were properly prepared for and discussed. It also measured the actual contribution of each director to the Board's performance through their skills and involvement in proceedings.

Based on the comments and discussions of this evaluation, the Directors were overall very satisfied with the functioning and work of the Board and its committees in 2015, as well as with the relationships maintained with the management and the committees, and the way that major themes were addressed.

Some Directors noted that the composition of the Board should nevertheless be reviewed, especially in terms of male/female parity.

In light of the evaluation's results, the Company will propose the appointment of at least one more woman before the 2017 Annual General Shareholders' Meeting to approve the financial statements for FY 2016.

3.1.4.5 Special focus committees

The Board of Directors has set up three special focus committees – the Strategic Committee, the Audit and Finance Committee, and the Compensation, Appointments and Governance Committee – to help it function more effectively and facilitate its decision-making.

The Committees are composed mainly of directors, whether individuals or permanent representatives of legal entities, appointed by the Board of Directors.

They may also include one or more independent advisors, as well as one or more outside members selected for their particular skills. All Committee members are required to serve in a personal capacity; no alternatives or proxies are permitted.

Each Committee reports on its work, via its Chairman, at the next meeting of the Board of Directors.

Minutes of each Committee meeting are taken by the secretary of the Board of Directors, presented to the Committee members for approval at the next meeting and sent to the Chairman of the Board of Directors. A register recording the proceedings of each Committee is kept at the Company's registered office.

Each Committee issues proposals, recommendations and opinions, as appropriate, in its area of specialization as described below. A Committee has the authority to perform, or to have performed, any study that may facilitate the decision-making of the Board of Directors. It may also question Group employees as needed, strictly for the purpose of carrying out the checks and verifications it is required to perform.

The composition, responsibilities and work of the special focus committees in 2015 are described below.

Strategic Committee

Composition of the Strategic Committee

As of December 31, 2015, the Committee had seven (7) members, as follows:

- Élie VANNIER, Chairman of the Committee and independent director;
- Jean-Louis CONSTANZA, independent director;
- Diaa ELYAACOUBI, independent director;
- Colette LEWINER, independent director;
- Xavier MORENO, independent director;
- Florence PARLY, independent director;
- Thibault POUTREL, director.

Functioning of the Strategic Committee

The Committee periodically informs the Board of Directors of its work, research and recommendations. It is up to the Board to determine what use should be made of such information.

Each year, the Committee holds at least two meetings called by its Chairman, who also has the option of calling further meetings as required.

To fulfill this mandate, the Strategic Committee may act in conjunction with the Chairman or Chief Executive Officer to enlist the cooperation of Group functional and operational directors.

The Committee may also make use of outside consultants and experts, subject to the approval of the Board of Directors.

Main responsibilities of the Strategic Committee

The Strategic Committee has been given the following mandate:

- to examine new investment projects and plans for expanding existing operations in France or abroad, as well as any possible asset acquisition or disposal plan, so that the Board of Directors may give the necessary approval;
- to monitor previous investments periodically and to carry out all appropriate research and assignments;
- to examine all proposals by financial investors or industrial groups for acquisition of a stake in the Company, particularly through merger and acquisition operations.

Work performed by the Strategic Committee

The Strategic Committee met six (6) times during the year ended December 31, 2015 and examined, in particular:

- the integration of GlobalCollect into the Group;
- the Group's ambitions for 2016 and the preparation of the 2016–2020 strategic plan;
- various M&A projects.

The attendance rate of Committee members during the year ended December 31, 2015 was 100%.

Audit and Finance Committee

Composition of the Audit and Finance Committee

The Rules of Procedure of the Board of Directors specify that the Audit and Finance Committee must have no fewer than three (3) and no more than seven (7) members. It must be chaired by an independent director and both the Chairman and the members must have financial and accounting expertise and are appointed by the Board of Directors.

As at December 31, 2015, the Committee had three (3) members, as follows:

- Florence PARLY, Chair of the Committee and independent director;
- Colette LEWINER, independent director;
- Élie VANNIER, independent director.

In accordance with section 16.1 of the AFEP-MEDEF Code, at least two-thirds of the Audit and Finance Committee members are independent.

Florence Parly's experience and expertise, especially in finance, are described in section 3.2 of this Registration Document.

She served as Secretary of State for the Budget from 2000 to 2002. She is also the executive general manager of the French National Railways Company (SNCF) in charge of strategy and finance.

The other Committee members also have financial and accounting skills, gained through their professional experience as described in section 3.2 of this Registration Document.

Functioning of the Audit and Finance Committee

Each year, the Audit and Finance Committee holds at least three meetings called by its Chairman, who also has the option of calling further meetings as required.

Meetings of the Audit and Finance Committee concerning the financial statements are held at least two (2) days prior to Board of Directors' meetings.

The Rules of Procedure of the Board of Directors state that the Audit and Finance Committee should evaluate its performance once a year.

In accordance with Article 6 of the Rules of Procedure, the Audit and Finance Committee may benefit from the assistance or participation of all departments in the Company and its subsidiaries (heads of finance, accounting, cash management, internal audit and risk control, etc.). To carry out its duties, the Audit and Finance Committee may, with the approval of the Board of Directors, seek any outside advice or expertise that it deems necessary.

Main responsibilities of the Audit and Finance Committee

The mandate of the Audit and Finance Committee is to assist the Board in continually monitoring the way in which the Company is run, in compliance with the legislation and with the Company's Articles of Association. The Committee is also responsible for alerting the Board to any irregularities or anomalies it may detect in the Company's financial statements or internal control and risk management procedures.

It is responsible for monitoring and giving its opinion to the Board of Directors on the following topics:

- the audit of financial statements by the statutory auditors;
- the close procedures and content of annual and half-year financial statements;
- the process of preparing financial information;
- significant financial transactions (debt, shareholders' equity, quasi-equity, etc.) proposed by the Company;
- the effectiveness of internal control and risk management systems;
- the independence of the statutory auditors.

The Committee is involved in proposing candidates to be appointed or to replace statutory auditors for the Company and its subsidiaries. It also issues recommendations on these candidates.

For certain issues, such as accounting treatment or the financial aspects of major transactions, the input of other committees is required. In this case, the Audit and Finance Committee may ask the chairmen of the relevant committees to collaborate under the terms that they define with the approval of the Chairman of the Board of Directors.

The statutory auditors:

- inform the Committee, at the beginning of the year, of the audit procedure that they intend to use;
- report to the Committee, at the close of the period, on the due diligence performed;
- alert the Committee to:
  - any changes that they believe should be made to the financial statements or other accounting documents, providing any useful observations about the valuation methods used to prepare them,
  - any irregularities or inaccuracies they may have discovered;
- submit to the Committee their conclusions drawn from the above observations and changes on the earnings for the period compared with those for the previous period;
- inform the Committee of any risks that could compromise their independence and the protective measures taken to reduce these risks;
- notify the Committee of any significant weaknesses in internal control procedures relating to the preparation and processing of accounting and financial information.

Every year, they provide the Audit and Finance Committee with a statement of independence and an update regarding the total amount of fees received by their network in respect of the services rendered in performing the due diligence directly related to the work of the statutory auditors and services that are not directly related to that work.

The Company has not expressly stated that it implements the Poupart-Lafarge report on audit committees of July 22, 2010. In practice, however, the Company applies the recommendations made in the report.

Work performed by the Audit and Finance Committee

The Audit Committee met seven (7) times during the year ended December 31, 2015.

The attendance rate of Committee members during the year ended December 31, 2015 was 95.2%.

During its meetings of the year ended December 31, 2015, the Board of Directors examined:

- the financial statements:
  - parent company and consolidated financial statements for 2014,
  - financial statements for the first half of 2015,
  - financial statements for the first and third quarters of 2015;
- all press releases on Group earnings;
- the renewal of the appointment of the work and fees;
- the 2015 estimates;
- the management planning documents;
- the 2016 budget;
- financing topics:
  - the proposed issue of a convertible/exchangeable bond (OCEANE),
  - early redemption of OCEANE convertible/exchangeable bonds;
- the internal audit assessment for 2015 and the schedule for 2016;

- internal control;
- the risk management system;
- other cash management topics:
  - the Company's off-balance sheet risks and commitments,
  - the currency hedging policy,
  - currency hedging;
- tax-related issues, including tax disputes in Brazil and France;
- annual renewal of the authorization to issue warranties.

Compensation, Appointments and Governance Committee

This Committee is composed of three (3) to six (6) directors and is chaired by an independent director.

Composition of the Compensation, Appointments and Governance Committee

As at December 31, 2015, the Committee had four (4) members:

- Xavier MORENO, Chairman of the Committee and independent director;
- Diaa ELYAACOUBI, independent director;
- William NAHUM, independent advisor;
- Florence PARLY, independent director.

In line with section 18.1 of the AFEP-MEDEF Code, the Committee Chairman and the majority of its members are independent directors.

Functioning of the Compensation, Appointments and Governance Committee

Under the Rules of Procedure, each year, the Committee holds at least three meetings called by its Chairman, who also has the option of calling further meetings as required.

Main responsibilities of the Compensation, Appointments and Governance Committee

The Compensation, Appointments and Governance Committee makes recommendations to the Board of Directors on compensation of directors and executive officers as well as on performance share awards and stock options granted to Group employees and executive officers, and on employee shareholding policy in general. It also makes recommendations on the composition of the Board of Directors and its Committees, prepares the annual evaluation of the Board and its Committees and deliberates on all questions related to corporate governance and ethics within the Group.

The Compensation, Appointments and Governance Committee submits its recommendations on appointments to the Group's executive and supervisory bodies and on appointments of directors or independent advisors to the Board of Directors.

The Committee periodically informs the Board of Directors of its work, research and recommendations. It is up to the Board to determine what use should be made of such information.

Work performed by the Compensation, Appointments and Governance Committee

The Compensation, Appointments and Governance Committee met five (5) times during the year ended December 31, 2015.

The attendance rate of Committee members during the year ended December 31, 2015 was 79%.

In particular, it examined the following issues:

- the corporate governance practices of listed French companies;
- the process for evaluating the Board's performance in 2015 based on a questionnaire. Its findings were presented by the Compensation, Appointments and Governance Committee to the Board of Directors on February 3, 2016. The Committee concluded that, overall, Board members were satisfied with its performance and the quality of the information provided;
- the examination of the composition of the Executive Committee;
- the analysis of the independence of directors with regard to AFEP-MEDEF rules;
- Company policy on gender equality and equal pay;
- the free share award plan (performance shares);
- the review of information on the compensation paid to members of the Executive Committee ;
- the compensation paid to the Chairman and Chief Executive Officer;
- the selection of new directors;
- the preparation of the advisory opinion on the "Say on pay" rule;
- the allocation of attendance fees for 2014;
- the capital increase reserved for employees of Ingenico Group who are eligible for a Company savings plan;
- the allocation of attendance fees for 2016.

3.1.5 Internal control and risk management

The Company uses the international internal control framework developed by "COSO" (Committee of Sponsoring Organizations of the Treadway Commission, the conclusions of which were published in the United States in 1992) and applies the framework's general principles in outlining the description of its risk management and internal control system for this report. The Group decided to apply the new COSO 2013 framework published on May 14, 2013.

3.1.5.1 Definition and objectives

The Group's **risk management system** aims to cover all the Group's businesses, processes and assets and should allow executive management to maintain risks at an acceptable level. Risk is defined as a possible event that could have a negative impact on the Company's people, assets, environment, objectives or reputation.

Internal control is a process implemented by the Board of Directors, executives and employees of the organization, to provide reasonable assurance as to the achievement of the following goals:

- compliance with applicable laws and regulations;
- effectiveness and efficiency of operations;
- reliability of financial information.

The internal control system implemented in the Company, as well-designed and well-applied as it may be, can only give shareholders, executive officers and the Board of Directors reasonable assurance that the above objectives will be achieved.

Since February 1, 2016, internal control and risk management have been placed under two separate Departments: the Internal Audit and Control Department, and the Risk & IT Department, both of which report directly to the Group's Chairman and Chief Executive Officer. The Internal Audit and Control Department manages the internal audit functions.

Scope of internal control: The internal-control and risk-management system set up by the Company encompasses all companies included in the Group's scope of consolidation. The Group ensures the existence and proper functioning of internal control and risk management systems in its subsidiaries.

3.1.5.2 Description of internal control and risk management procedures

The Company takes the same approach to internal control and risk management as the COSO framework, in which five components are defined:

- control environment;
- risk assessment;
- control activities;
- information and communication;
- monitoring.

Control environment

The control environment is the foundation for all other components of internal control. It encompasses the integrity, ethical values and competence of personnel; the management style of the executive team; policies on the assignment of authority and the organization and training of personnel; and the governance rules applied at the initiative of the Board of Directors.

The Company's **Board of Directors** includes an Audit and Finance Committee, the composition, meeting frequency and main responsibilities of which are described in this report. It plays a key role in the internal-control and risk-management system, since its responsibilities include:

- examining and assessing all points related to the preparation, auditing and publication of financial documents produced by the Company in connection with its financial reporting;
- reviewing the annual internal audit plan and monitoring the recommendations issued by the statutory auditors and the internal audit team;
- monitoring the performance of internal-control and risk-management systems.

The **Code of Ethics and Business Conduct** sets out all the essential rules of conduct that the Group expects all employees, suppliers and subcontractors to abide by, and which apply to all business relationships. It is an important tool in maintaining the quality of the Group's control environment. In 2015, the Group Compliance Officer held training sessions to remind all Group employees of the Code's key principles.

A **"Gifts and Hospitality" policy** clarifies the rules applicable to all Group employees. Anti-corruption measures were also discussed in the aforementioned training sessions.

Whistle-blowing: The system provides a dedicated email address that can be used by any employee to report events that could be considered misconduct or in conflict with internal control procedures. Reports are handled confidentially to protect employees and the rights of any other people involved.

Delegations of power were updated during the year for all directors of subsidiaries.

In 2015, the Group Compliance Officer distributed a **conflict of interest** questionnaire to all Group and subsidiary managers to ensure their independence in performing their duties, and to provide for continuous monitoring.

Self-assessments to evaluate the quality of the control environment within the Group's subsidiaries are conducted every two years, most recently in 2014. The aim is to ensure that all Group companies carry out self-assessments in relation to the priority control measures set out in the RedBook internal control manual.

Risk assessment

Every entity faces a variety of risks from external and internal sources that may impact the achievement of its objectives and that must be managed, *i.e.*, identified and analyzed. The main risks facing the Company are described in section 1.2 of this Registration Document.

The Group's risk management policy defines the objectives of the process and the methodology for identifying, analyzing and managing risks. The Risk Management and IT Department is responsible for implementing this policy and coordinating the process by consolidating the analyses and building action plans together with the operational and functional departments and monitoring their implementation.

The process is presented and reviewed annually by a corporate Risk Committee led by the Chairman and Chief Executive Officer and specifically includes the Chief Financial Officer, regional directors and the main functional department executives.

The Group updated its risk map in 2015. The risk map revealed fifteen or so major risks. For each risk, the likelihood of occurrence, the potential impact and the effectiveness of existing control measures were assessed. Action plans are defined and steered by the managers responsible for each risk, having been specifically tasked with control plans and actions designed to reduce risks.

In the same way, in 2012, the Group mapped out its fraud risks to identify the people and tools needed to protect itself against risks of internal and external fraud. The analysis and prevention of risks related to fraud fall within the responsibility of the Risk & IT Department. The Audit and Finance Committee receives regular updates on risk-management issues. A meeting is held once a year with the Audit and Finance Committee and the statutory auditors to discuss risk assessment and management and to review the Group's major risks, the risk map and the related action plans.

To monitor the performance of the risk management process, the Board of Directors is informed by the Audit and Finance Committee of the main steps taken in risk monitoring, such as creating internal control positions in subsidiaries, introducing the Code of Ethics and Business Conduct and updating the internal control manual.

Control activities

Control activities can be defined as the application of policies and procedures that help ensure management directives are carried out.

At the initiative of Company management, a set of rules and procedures was gradually introduced for each executive, business or functional unit. The Group also rigorously and actively monitors the performance of each business unit and the application of the Group's policies.

To enhance the consistency of rules and procedures, an internal control manual (RedBook) is in place for all Group subsidiaries, and was updated in 2015. Each chapter of the manual provides a detailed list of the control objectives to be achieved. A list of key controls to be implemented includes controls in place among all Group entities as well as controls specifically developed for the terminal distribution and services business segments. This manual has also been brought in line with the Group's risk and fraud maps. The rules and procedures found in this manual are updated and expanded on a regular basis.

Information and communication

Pertinent internal control information must be identified, gathered and reported in a form that allows each relevant manager to be notified of the weaknesses identified while allowing them the time needed to take the necessary corrective actions.

Our information channels and organizational structure have been designed to make it easy for regional or business units to report any internal control weaknesses and share their best practices with all relevant managers.

The regions are organized in a similar manner to the Group's management, enabling faster decision-making, greater efficiency and smoother flow of information between the Group's management and the regions.

Information and communication regarding internal control closely follow the Group's organizational structure:

- budget control is ensured through monthly reporting on performance. Each region produces a report, which is consolidated centrally. The purpose of reporting is to track where sales and profits are being generated, analyze the resulting operating income and identify deviations from the budget;
- during periodic reviews, regional/country directors meet with the Executive Committee to analyze performance and operational issues requiring attention as well as the forecasts.

In addition, corporate functions are responsible for ensuring that the Group's business strategy is applied in their area of responsibility. Accordingly, the Operations Division ensures that production work is carried out in compliance with the standards set by the Group and handled by subcontractors that it has approved. The Marketing Division defines and validates the product and marketing policies adopted in the regions.

Monitoring internal control and risk management

Internal-control and risk-management systems need to be monitored to assess performance over the long term. This is accomplished through permanent oversight and regular assessments.

The Audit and Internal Control Department, which reports directly to the Chairman and Chief Executive Officer, oversees internal control and ensures that the methodology is applied properly in the reviews carried out. The Department also coordinates the risk assessment process at Group level each year and performs internal audits in all Group subsidiaries.

An internal audit plan is established each year, based on:

- the rotation of audit assignments to ensure an audit at least once every three years;
- the results of internal and external audits carried out in previous years;
- the risk-mapping mentioned above;
- the results of the self-assessment process;
- newly consolidated entities;
- large-scale projects and the main cross-functional processes;
- requests by the Executive Committee and the Chairman and Chief Executive Officer.

In 2015, the Internal Audit Department carried out the audit plan approved by the Audit and Finance Committee. Audits are documented in reports that summarize the main findings and provide recommendations. After being approved by the audited entities and their management, these recommendations are turned into action plans and submitted to the Risk & IT Department. Over the following months, the Audit and Internal Control Department ensures the implementation of these corrective actions through follow-up reports on the status of each point brought up by the audit.

The 2015 audit plan was as follows:

- 18 audits in subsidiaries;
- 3 cross-functional audits at corporate level;
- 12 audit follow-ups.

These audits covered 45% of the Group's revenue (based on the revenue given in the rolling forecast). The work carried out in 2015 did not reveal any significant internal control weaknesses or deficiencies.

The Group's statutory auditors are kept informed of all the work performed in the areas of internal control, internal audit and risk management at regular meetings to strengthen the internal control and risk management system.

In 2015, the Group had approximately 10 specialized staff dedicated to risk management, internal control and internal audits. This number does not include the employees dedicated to managing operational risk in transaction entities.

3.1.5.3 Internal control procedures relating to the preparation and processing of accounting and financial information

Accounting and financial organization

In order to achieve complete transparency between operating departments and financial management and ensure that operations are reported to the fullest possible extent, the Group has adopted the following organization for its teams, resources and processes:

- financial controllers and/or chief financial officers at subsidiaries report to the regional chief financial officers, who in turn report to the Group Chief Financial Officer and not to the director of the subsidiary or region. Regular meetings of finance executives are held by the Group Finance Department;
- all the Group's main entities use the same accounting management system;
- the Group's chart of accounts is restated in line with IFRS, the basis for consolidation and reporting used by all Group entities.

This organization provides the accounting and financial function with all the data required to prepare the financial statements for the entire scope of operations. In 2015, the International Accounting Standards Board (IASB), responsible for defining and publishing IFRS procedures, updated the Group's accounting standards handbook and distributed it through a network of local accounting correspondents who had been given special training.

Accounting and financial information systems

As mentioned earlier, one of Ingenico Group's goals in recent years has been to standardize its information systems (SAP, BFC).

The management reporting format, the primary tool for analyzing the operational performance of entities, includes information on the financial position and on cash flows.

This enables a more detailed analysis of Group performance for each product or service line and prepares Ingenico Group for the future developments of its markets.

Financial information is generated from monthly closing data.

Disclosure of financial and accounting information

Financial and accounting information is not disclosed until it has been reviewed and approved by the Chief Financial Officer.

The Company abides by a timetable of its accounting and financial disclosure and reporting obligations.

Internal control over finance

The following steps are taken to monitor the accuracy of financial data on an ongoing basis:

- controllers are regularly provided with instructions on budgetary implementation, reporting and consolidation worksheets and memoranda on changes in IFRS;
- each month, all legal entities and operating units are required to perform and report on a closing process, followed by consolidation. These reports enable the monthly changes to the Group's main operating indicators to be measured. Every month the Group uses the reports to carry out a detailed analysis of its performance (EBIT, EBITDA, free cash flow) at different levels (entity, region, Group). This process allows the Group to verify the correct financial rendering of its business activity and to identify any possible operating risks (*e.g.*, delays in accounts receivable, credit notes to be issued, litigation, surplus stock, etc.). The Group's cash position is also analyzed monthly;
- a tax reconciliation is carried out five times a year and a comprehensive review of the Group's major assets is done every six months;
- all Group funding, hedging transactions, bank account openings and closures, bank account signing authorizations and the Group's cash pooling system are centralized under the responsibility of the Chief Financial Officer.

Internal control is a top priority for Ingenico Group, which regularly invests in improving its system.

3.1.6 Shareholder participation in General Shareholders' Meetings

The rules governing attendance at, and participation in, Shareholders' Meetings are set forth in Article 19 of the Articles of Association and described in Chapter 8 of this Registration Document.

3.1.7 Principles and rules adopted by the Board to determine the compensation and benefits of directors and executive officers

The principles and rules governing the determination of the compensation and benefits awarded to directors and executive officers are determined by the Board based on recommendations by the Compensation, Appointments and Governance Committee in compliance with the Rules of Procedure of the Board of Directors. These principles and rules are specified in the management report of the Board of Directors in compliance with Article L.225-102-1 of the French Commercial Code.

3.1.8 Information liable to have an impact on the price of a public offer

Any information liable to have an impact on public offers is described, if appropriate, in the management report, in accordance with Article L.225-100-3 of the French Commercial Code.

3.2 Positions and duties of the Board members as at December 31, 2015

Philippe LAZARE

Chairman and Chief Executive Officer since January 20, 2010

Experience and expertise

Born on October 30, 1956, Philippe Lazare was educated at the École Supérieure d'Architecture de Paris-La Défense. He held several positions in the Purchasing Department of the PSA group prior to joining the Thalès group as director of a Sextant Avionique site. In 1994, he was appointed Chief Operating Officer of the Air France group, in charge of the Industrial Logistics Division, which encompassed Air France Maintenance, Air France Industries and Servair group. He then managed the Lucien Barrière hotel and casino group (1998-2000) and worked for the Eurotunnel group as Chief Executive Officer and then Chairman and Chief Executive Officer until 2002. Within the La Poste group, Mr. Lazare was Director of Purchasing, Property and Cost Control (2003-2004), member of the Executive Committee of La Poste, and Chairman and CEO of Poste Immo. In 2006, he was appointed Deputy Chief Executive Officer of the La Poste group and Chief Executive Officer of La Poste's General Public (*Grand Public*) Division, positions he held until July 13, 2007. On July 17, 2007, he became the Chief Executive Officer of Ingenico, where he had been a director since March 15, 2006. On January 20, 2010, he was also appointed Chairman of the Board of Ingenico Group, thus becoming the new Chairman and Chief Executive Officer. Mr. Lazare is a Knight of the Legion of Honor.

Other positions and duties

WITH THE INGENICO GROUP IN 2015

Representative of Ingenico Group SA, Chairman:
- Ingenico Venture SAS since May 6, 2009
- Ingenico Eastern Europe I Sarl (Luxembourg), Managing director since July 17, 2007

Board member and Chairman:
- Fujian Landi Commercial Equipment Co. Ltd. (China) since June 25, 2008

Director:
- Ingenico Inc. (USA) since July 17, 2007
- Nanjing ZTE Ingenico Network Technology Co., Ltd. (China) since October 30, 2012
- Ingenico Holdings Asia Limited (Hong Kong) since May 29, 2015

Supervisory Board member:
- ZTE Ingenico NV (Netherlands) since November 23, 2012
- Ingenico do Brasil Ltda. since December 10, 2013
- GCS Holding BV (Netherlands) since September 30, 2014

OUTSIDE THE INGENICO GROUP IN 2015

Main position:
None

Other current positions and duties:
None

Positions held in the past five years

Chairman:
- Ingenico Transactions Services SAS, until June 30, 2011
- Ingenico Prepaid Services France SAS, until June 28, 2013

Director:
- EPOS Italia SpA, until June 30, 2011
- Fixed & Mobile Pte Ltd until September 10, 2011
- Ingenico International (Pacific) Pty Ltd until June 7, 2012
- Ingenico International (Singapore) Pte Ltd until June 19, 2012
- Ingenico International India Pte Ltd until December 18, 2012
- Ingenico (UK) Ltd. until June 21, 2013
- Roam Data, Inc. (USA) until June 8, 2015

Board member and CEO:
- Ingenico Italia SpA until April 27, 2012
- Ingenico (Latin America) Inc. until July 10, 2012
- Ingenico Corp. until October 4, 2012
- Ingenico Canada Ltd. until October 4, 2012

Board member and Chairman:
- Ingenico Barcelona SA until July 1, 2011
- Ingenico Mexico de CV until June 11, 2012
- Ingenico Services Iberia SA until October 1, 2012
- Ingenico Elektronik Sanayi Dis Ticaret SA until November 30, 2012
- Ingenico Iberia SL until April 26, 2013
- Ingenico Ödeme Siste Cözumleri A.A. until May 31, 2013

Representative of Ingenico SA, Chairman:
- Ingenico Data Systems – Sofracin SAS until June 30, 2011
- Mobile Payments Solutions NV until November 23, 2012

Jean-Louis CONSTANZA

Independent director

Strategic Committee member

Experience and expertise

Jean-Louis Constanza was born on April 16, 1961. He is a French citizen.

With more than 25 years of experience in the telecoms, internet and mobile sector in France and internationally, Jean-Louis Constanza past roles include that of Chief Innovation Officer at Criteo, a specialist in personalized advertising on the web. He founded Orange Vallée, which develops and markets innovative products and services within the Orange Group. Jean-Louis Constanza also founded Ten, the first mobile virtual network operator (MVNO) focused on the mobile internet, and telecoms operator Tele2. He holds an MBA from INSEAD and a master's in engineering from the French National School of Aeronautics and Space ("SupAéro").

Other positions and duties

WITH THE INGENICO GROUP IN 2015

None

OUTSIDE THE INGENICO GROUP IN 2015

Main position:

- Consultant

Other current positions and duties:

Director:

- Wandercraft
- Visa Europe

Positions held in the past five years

Director:

- Orange Vallée, from 2007 to 2013

Chief Innovation Officer:

- Criteo, from 2013 to 2014

Diaa ELYAACOUBI

Independent director

Strategic Committee member

Compensation, Appointments and Governance Committee member

Experience and expertise

Born in Morocco on November 8, 1970, Diaa Elyaacoubi is a French citizen.

Diaa Elyaacoubi has spent most of her career as an entrepreneur, mainly in new technologies. In 1999, she founded e-Brands, Europe's leading provider of white label connectivity solutions, such as Internet access and SMS, now a Vivendi subsidiary. In 2003, she founded and now chairs Streamcore, a manufacturer of telecoms networking equipment. She also co-founded "Esprits d'entreprise" a French think tank that brings together more than 400 entrepreneurs and business leaders, and is President of "*100 Jours Pour Entreprendre*," a movement that sponsors and mentors young entrepreneurs. She is also a member of the Supervisory Board at Oddo & Cie.Diaa Elyaacoubi is a graduate of the École Supérieure des Télécommunications in Paris.

Other positions and duties

WITH THE INGENICO GROUP IN 2015
None

OUTSIDE THE INGENICO GROUP IN 2015

Main position:
- President of the holding company ODYSSEE 2045
- Member of the Supervisory Board of Oddo & Cie since May 2013
- Founder and Chairwoman of Esprits d'Entreprise since May 2013. This business association brings together over 400 entrepreneurs and SMEs in a think tank to promote the ideas of its members and their companies
- President of the "*100 Jours Pour Entreprendre*" movement

Other current positions and duties:
- Manager of SCI Delya 2
- Manager of SCI Delya 3
- Manager of SCI Immobilière 1

Positions held in the past five years

- Manager of SCI Kat Mandou
- Management Board Chair of Streamcore System (acquired by ORSYP Group in 2012), from 2004 to 2012

Colette LEWINER

Independent director

Strategic Committee member

Audit and Finance Committee member

Experience and expertise

Colette Lewiner, born September 19, 1945 in Cairo (Egypt), is a French citizen.

Colette Lewiner has held the role of Energy and Utilities Advisor to the Chairman of Capgemini since 2012. She is a commander of the French National Order of Merit and of the Legion of Honor.

A graduate of the École Normale Supérieure, with a postgraduate degree in physics and a PhD in Science, Colette Lewiner began her career at the University of Paris as a lecturer.

She joined Electricité de France in 1979, first in the Engineering and Research Department, followed by the Fuels Procurement Department. In 1989, she created and headed up the group's Business Strategy and Development Division, and in so doing became the group's first female director.

In 1992, she was named Chairwoman and Chief Executive Officer of SGN-Réseau Eurisy, an engineering subsidiary of Cogema, before joining Capgemini in 1998 as director of the Global Energy, Utilities and Chemicals sector.

From September 2010 to April 2015, she was the non-executive Chair of TDF.

Other positions and duties

WITH THE INGENICO GROUP IN 2015

None

OUTSIDE THE INGENICO GROUP IN 2015

Main position:

- Energy Advisor to the Chairman of Capgemini

Other current positions and duties:

Director:

France

- Bouygues SA*
  - Chair of the Compensation Committee
- Colas SA* (Bouygues Group)
  - Chair of the Compensation Committee
  - Member of the Audit Committee
  - Member of the Ethics and Sponsorship Committee
- EDF SA*
  - Member of the Audit Committee and the Compensation Committee
  - Chair of the Ethics Committee
- Eurotunnel SA*
  - Member of the Audit Committee
- Nexans SA*
  - Strategic Committee member

International

- Crompton Greaves LLC* (India) [(1)]

Positions held in the past five years

- 2015 – Director of TGS-Nopec* and TDF
- 2014 – Director of Lafarge*
- 2012 – Vice-President, director of the Global Energy, Utilities and Chemicals sector at Capgemini
- 2011 – Director of La Poste

* *Listed company.*

(1) *Colette Lewiner informed the Company of her resignation from the directorship, effective March 15, 2016.*

Xavier MORENO

Independent director

Compensation, Appointments and Governance Committee Chairman

Strategic Committee member

Experience and expertise

Xavier Moreno was born on December 14, 1948 in Nice, France. He is a French citizen.

Xavier Moreno is Chairman of Astorg, a leading French private equity firm that invests in business transfers (LBOs) valued at between €100 million and €1,500 million. Founded in 1998 and controlled by its founding partners, Astorg manages approximately €4 billion in capital and has invested in over 30 businesses in the last 15 years. Xavier Moreno began his career at the Treasury Department of the French Ministry of Finance. In 1985, he joined Sanofi, where he became director of the Agro-veterinary Division and a member of the Executive Committee. In 1991, he joined the Suez group to lead investments in industry and private equity until the spin-off of Astorg in 1998.

Xavier Moreno is a graduate of the École Polytechnique, the Paris Institute of Political Studies (IEP) and the École Nationale d'Administration (ENA).

Other positions and duties

WITH THE INGENICO GROUP IN 2015

None

OUTSIDE THE INGENICO GROUP IN 2015

Main position:
- Chairman of Astorg Partners SAS
- Manager, Astorg Asset Management Sàrl (Luxembourg)

Other current positions and duties:

Supervisory Board member:
- GS & Cie SA (Gras Savoye Group)

Executive Committee member:
- Financial Ofic SAS (Onduline Group)

Director:
- Ethypharm SA
- Financial Verdi SAS (Ethypharm Group)
- Onduline SA
- Super Cristal de Luxe
- Cristal de Luxe

Representative of Astorg Partners SAS, Chairman:
- Astorg Team III SAS SCR

Chairman:
- Financière Amaryllis IV SAS
- Financière Muscaris IV SAS
- Kiliteam V SAS
- Megateam V SAS

Positions held in the past five years

Chairman:
- Church Team IV SAS until October 2013
- Bordeaux Team IV SAS until 2011
- Mercure Team IV SAS until 2011

Supervisory Board Chairman:
- Honorine SAS (Staci Group)

Director:
- SCT Telecom SA (until 2011)

Executive Committee member:
- Capucine SAS (Webhelp Group) until 2011

Florence PARLY

Independent director

Audit and Finance Committee Chairman

Strategic Committee member

Compensation, Appointments and Governance Committee member

Experience and expertise

Florence Parly was born on May 8, 1963 in Boulogne-Billancourt. She is a French citizen.

Florence Parly is currently Executive Vice-President in charge of Strategy and Finance at SNCF, the French national rail company. She is responsible for SNCF's strategic management and economic coherence in a time of transformation. Previously, she worked for eight years in various capacities at the Air France Group, including as Director of Investment Strategy, then later as Executive Vice-President of Air France Cargo, where she led the restructuring and, finally, as Executive Vice-President, Passenger Activity Paris-Orly and French Stations, where she led the Transform 2015 recovery plan.

Prior to that, she was Secretary of State for the Budget (2000-2002) as a member of the French government led by Lionel Jospin, after holding various functions including: advisor to the Prime Minister, Cabinet member (equipment and housing, interior) and within the Budget Department of the French Ministry of the Economy, Finance and Budget. She also chaired the Regional Agency for Economic Development of the Ile de France (Paris region) (2004-06).

Florence Parly is a graduate of the Paris Institute of Political Studies (IEP) and the École Nationale d'Administration (ENA).

Other positions and duties

WITH THE INGENICO GROUP IN 2015

None

OUTSIDE THE INGENICO GROUP IN 2015

Main position:
- Executive Vice-President in charge of Strategy and Finance at SNCF

Other current positions and duties:

Director:
- Altran*:
  - Chair of the Appointments and Compensation Committee
- Representative of SNCF on the Board of Directors of SNCF Mobilités

Positions held in the past five years

Supervisory Board member:
- Traxon until November 2011

Chair of the Board:
- Sodexi until March 2013
- MCH (Mexico Cargo Handling) until March 2013

Director:
- Air France until September 1, 2014
- Servair (Roissy CDG) until 2013
- Bpifrance Participations until August 2015
- Bpifrance Investment until August 2015

Permanent representative of Air France on the Board of Directors:
- Fram, until February 2013

Strategic/Strategy Committee member:
- Ernst & Young until November 2014

Other positions:
- Executive Vice-President, Passenger Activity Paris-Orly and French Stations (until September 2014) and member of the Executive Committee of Air France
- Executive Vice-President, Air France Cargo (until December 2012) and member of the Executive Committee of Air France

* *Listed company.*

NB: Florence Parly represents the Fonds Stratégique de Participations, which was appointed to the Supervisory Board of Zodiac Aerospace on January 14, 2016.

Thibault POUTREL

Director

Strategic Committee member

Experience and expertise

Thibault Poutrel was born on September 8, 1977. He is a French citizen.

Son of Ingenico founder Jean-Jacques Poutrel, Thibault Poutrel began his career at ABN AMRO France then worked at Rothschild & Cie Banque. Since 2001, he has founded and managed several private equity companies including Diamond Minds, Access Consulting and Beaubourg Capital SAS. He is also co-founder of Update Productions (audiovisual production) and the press agency Antidote, director of Nextedia (listed on Alternext) and co-founder of the LINK Endowment Fund. He is a graduate of the Paris Institute of Political Studies (IEP) and the London School of Economics.

Other positions and duties

WITH THE INGENICO GROUP IN 2015

None

OUTSIDE THE INGENICO GROUP IN 2015

Main position:
- Chairman of Alderville Investissement SA

Other current positions and duties:

Chairman:
- Beaubourg Capital SAS
- Alderville Holding SPRL

Director:
- Nextedia SA (formerly Social Mix Media SA)

Managing director:
- SCI 44 Rue de Meaux
- Diamond Minds Investment SARL
- Access Consulting SARL

Supervisory Board or Steering Committee member:
- Lokad SAS
- Travelaer SAS

Positions held in the past five years

Supervisory Board or Steering Committee member:
- Cryptolog SAS (representative of Beaubourg Capital SAS)
- Patientsworld SAS (representative of PW Invest SAS)
- WitchBird SAS

Élie VANNIER

Independent director

Strategic Committee Chairman

Audit and Finance Committee member

Experience and expertise

Élie Vannier was born on June 15, 1949. He is a French citizen.

Élie Vannier's career is marked by a variety of experiences in industry, investment banking and the media. After many years in broadcasting, Élie Vannier was appointed Diversification Manager at the metalworking group Strafor Facom until 1991, when he was named Chief Executive Officer of the French subsidiary of Deutsche Morgan Grenfell. In 1997, he joined GrandVision, eventually being appointed Group CEO. Former Chairman of the Board of Directors of Flamel Technologies, over the years he has held many directorships in France and abroad. He was also a professor at the Paris Institute of Political Studies (IEP), lecturing on strategy and international business development. He also served as President of the French center for the study of corporate governance. He is now a professor at Peking University (School of Transnational Law), China. He holds a master's degree in law and a postgraduate degree in political science from the Sorbonne (University of Paris I).

Other positions and duties

WITH THE INGENICO GROUP IN 2015

None

OUTSIDE THE INGENICO GROUP IN 2015

Main position:

- Visiting Professor, Peking University School of Transnational Law (China)

Other current positions and duties:

Director:

- Groupe PP Holding SA (Switzerland)
- Pharmacie Principale SA (Switzerland)
- Fondation Fondamental (France)
- New Cities Foundation (Switzerland)
- E-Front (France)

Positions held in the past five years

Director:

- Compagnie Européenne de Téléphonie (Luxembourg) until 2011
- Conbipel SA (Italy) until 2013
- Marinopoulos Group (Greece) until 2014
- Flamel Technologies until June 2014

Deputy Chairman of the Supervisory Board:

- Groupe Loret (France) until June 2011

Chairman of the Board of Directors:

- Flamel Technologies SA until 2012

Family relationships

As of the date of this Registration Document, there are no family relationships between any of the members of the Board of Directors.

Involvement in legal proceedings

The members of the Board of Directors hereby declare that during the past five years, none of them has been incriminated and/or sanctioned, disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of an issuer, or been involved in bankruptcy, receivership or liquidation proceedings as set forth in Annex I to commission regulation (EC) No 809/2004 of April 29, 2004.

William NAHUM

Independent advisor

Compensation, Appointments and Governance Committee member

Experience and expertise

A certified accountant, statutory auditor, legal expert to the Court of Appeal of Paris, certified by the French Supreme Court, William Nahum has led a parallel professional and institutional career during which he has held almost all the elective offices in his profession. After an internship in an international audit firm and then several years with French and American companies, he established a law office more than thirty years ago, building up a team of partners, along with selected collaborators.

For twelve years, he was President of the Order of Certified Accountants of Paris ("Ordre des Experts-Comptables de Paris") and of the Company of Statutory Auditors of Paris ("Compagnie des Commissaires aux Comptes de Paris"). He was also President of the National Order of Certified Accountants ("Président National de l'Ordre des Experts-Comptables").

He served for nine years on the Board of IFAC, where he acquired expertise in auditing and governance standards particularly relevant to litigation or professional liability cases. He has created and chaired two international institutions for the accountancy profession: CILEA for South America and Latin Europe, and FCM, covering 16 countries located around the Mediterranean.

He has also held positions as a volunteer with the Accounting Standards Authority ("Autorité des Normes Comptables"), the Public Accounts Standards Committee ("Comité des Normes de la Comptabilité Publique") and as a legal expert with the Government Shareholding Agency ("Agence des Participations de l'État") and the Ministry of Defense.

In 2004, William Nahum founded the Academy of Accounting and Financial Sciences and Techniques, an organization chaired by him with more than 60,000 members in over 20 countries.

In 2013, William Nahum was elected National President of CIP (Information Center on the Prevention of Company Difficulties).

A government order of December 24, 2013 made him a member of the Accounting Standards Authority ("Autorité des Normes Comptables").

3.3 Compensation and benefits

3.3.1 Compensation of directors and executive officers

The purpose of the Company's policy on the compensation of directors and executive officers and the management teams more broadly-speaking is to:

- attract, develop, retain and motivate the best talent;
- encourage better performance;
- align compensation levels with the Company's results.

It is guided by three principles:

- competitiveness and consistency of compensation in respect of market practices (compensation policies of comparable listed companies, especially technology companies in France, Europe and the United States), while maintaining a certain balance in internal compensation practices;
- internal fairness, based on individual and team performance, to ensure fair and balanced compensation that reflects individual levels of success, measured both quantitatively and qualitatively;
- the achievement of overall Group financial and operating results in the short, medium and long term, as well as their implementation in relation to the medium and long-term strategic objectives.

3.3.1.1 Compensation, stock options and performance shares granted by the Company to the Chief Executive Officer

3.3.1.1.1 Policy for compensating the Chairman and Chief Executive Officer

In recent years, the Board of Directors has decided to change the compensation of the sole executive officer, Philippe Lazare, Chairman and Chief Executive Officer, in order to restore it to its proper level, reflect the transformation of the Group's profile since 2010 – both in size and scope of business – while adhering to best market practices, in line with the AFEP-MEDEF Code as revised in November 2015. Since 2010, the Group's revenues have more than doubled, its profit for the period by more than five at the end of December 2015.

In addition to compensating operational and financial performance, the Board of Directors also uses the compensation of its Chairman and Chief Executive Officer as a talent retention tool. This is necessary because the Group operates in the payment ecosystem – a global market that is changing very rapidly and has a narrow talent pool.

Compensation structure in 2015

Against this backdrop, and as part of the review of the target compensation structure upon reappointment of the Chief Executive Officer during the 2016 Annual General Shareholders' Meeting, the Board of Directors decided, on February 18, 2015, not to modify the fixed salary and variable compensation for 2015 and to start rebalancing the compensation structure by placing a stronger emphasis on the Company's long-term performance:

- **a fixed annual salary unchanged at €700,000;**
- **a target annual variable compensation of €1,000,000** with the maximum variable compensation unchanged at 135% of the target variable compensation, representing nearly 200% of the fixed annual compensation.

  Depending on the level of achievement of each of the criteria below, the payment may vary from 0% to 135% of the target annual variable compensation, or 0% to 193% of the annual fixed compensation.

  For 2015, the variable compensation is based on the achievement of quantitative and qualitative criteria as set by the Board of Directors on February 18, 2015. The relative weighting remains unchanged compared to 2014:

  - **quantitative targets, at 70%** (*i.e.* €700,000) of the target annual variable compensation, tied to the Company's financial performance:
    - 40% tied to consolidated EBITDA,
    - 15% tied to consolidated revenue growth,
    - 15% tied to free cash flow (excluding acquisitions, divestitures and special dividends).

    Payment of variable compensation is only triggered once 90% of each of these targets is achieved, at which point 50% of the variable compensation is paid. Below this threshold, the variable compensation in respect of financial criteria is nil. It reaches 100% at 100% of the target, then rises in a straight line from 100% to 110% of the target with a maximum of 150% at 110% of the target.
  - **qualitative objectives, at 30%** (*i.e.* €300,000), each representing one-third of the total and tied to:
    - the execution of the Group's strategic vision,
    - the development of the ePayments offering with the integration of the GlobalCollect and Ogone teams,
    - the continued development of multi-channel payment transactions,

Variable compensation is calculated and paid at the close of the fiscal year to which it relates, after the Board of Directors has approved the financial statements;

- **no special bonus**. Since 2013, the Board of Directors has waived the use of special bonuses, in line with best market practices;
- **no pension plan**. The Board of Directors feels that this provision is not a suitable retention tool for Ingenico Group, which operates in a fast-changing market. For information purposes, the cost of the pension plan was valued at €15 million by an outside firm;
- **no attendance fees** as a Company director and Chairman of the Board;
- **no compensation** under a non-compete clause;
- **a long-term incentive** (valued at €988,200 for the shares granted under the 2015 plan). This is a performance share plan for executive officers and middle management employees. Vesting is conditional on fulfillment of conditions of attendance and internal performance tied to the Group's financial and operational results, *i.e.*, EBITDA in line with the plan announced to the market. Vesting thresholds for shares are as follows: 25% of shares vested at 90% achievement of the target; 50% of shares vested at 95% achievement of the target and 75% of shares vested at 100% achievement of the target. The maximum number of free share awards is reached at or above 104% achievement of the target;
- **in addition, Philippe Lazare shall be remunerated for exercising his duties as Chairman of the Board and Chief Executive Officer:**
  - a company car,
  - unemployment insurance for loss of mandate, and
  - a contractual indemnity in the event of early termination.

    In accordance with the resolution of the Board of Directors of March 15, 2012, approved by the Annual General Shareholders' Meeting of May 3, 2012, Philippe Lazare will receive an indemnity in the event of termination of his term of office for any reason other than gross negligence. The amount of this indemnity will be calculated based on the achievement of the following performance criteria:
    - he shall receive an indemnity equal to one year of his gross annual salary payable in his capacity as Chief Executive Officer of Ingenico Group SA,
    - he shall maintain his entitlement to the free shares for which the vesting period has not expired. To date, he has received a total of 16,500 shares, for which the vesting period has not yet expired. The amount of the benefit granted is estimated at €1,300,760,

  this arrangement is subject to the following performance conditions:
    - EBIT has grown in line with revenue growth during his term in office,
    - stability or increase in the Company's market share during his term of office.

  This is referred to in the statutory auditors' report on related party agreements and commitments (section 3.4 of this Registration Document).

  Note that the terms of this commitment were amended by the Board of Directors on February 29, 2016 and will be submitted to the Annual General Shareholders' Meeting of April 29, 2016. The details of this commitment applicable from the reappointment of the Chairman and Chief Executive Officer are as follows:

Amount of Termination Benefit

The amount of the benefit (the "Termination Benefit") payable will be equal to (i) 18 months of the Reference Compensation in the event of forced departure related to a change of control of the Company, or (ii) 12 months of the Reference Compensation in other cases of forced departure related to a change in strategy, in which case the amount will depend on the fulfillment of the performance conditions set for calculation of the variable compensation.

The “Reference Compensation” shall be equal to the average monthly fixed and variable compensation received by Philippe Lazare in respect of his position as Chairman and Chief Executive Officer over the last two financial years preceding the date of termination.

Conditions of payment of the Termination Benefit

The Termination Benefit will be payable to Philippe Lazare only in case of forced departure from his position as Chairman and Chief Executive Officer related to a change of control or strategy initiated by the Board of Directors, regardless of the form of this termination of appointment (other than for gross negligence or misconduct), and on condition that the performance conditions below have been achieved.

The “change of control” shall be taken to refer to the date of approval by the Company’s Annual General Shareholders Meeting of any merger or demerger transaction affecting the Company, or the date of acquisition of control of the Company, as defined in Article L.233-3 of the French Commercial Code (particularly subsequent to a public tender or exchange offer, as the case may be).

Performance conditions

Payment of the Termination Benefit will be based on the average level of achievement of the targets set for Philippe Lazare’s variable compensation over the last two financial years preceding the date of termination of appointment.

Philippe Lazare will retain the entitlement to his performance shares which are vesting at the date of his departure (i) on a prorata basis related to his continuous service and (ii) depending on the level of achievement of the performance conditions set out above.

Finally, there is no employment agreement between Philippe Lazare and any of the Group companies. As an officer of the Company, he is not a member of the savings plan set up for employees of the Group.

Summary of the status and terms of departure of the Chief Executive Officer

Directors and executive officers	Employment contract	Supplementary retirement plan	Indemnities or benefits due or likely to be due on termination or change of function	Benefits in connection with a non-compete clause
Philippe LAZARE				
Chairman and Chief Executive Officer since January 20, 2010 (1)	No	No	Yes (2)	No

(1) the renewal of Philippe Lazare’s directorship is proposed to the Combined Ordinary and Extraordinary Shareholders’ Meeting of April 29, 2016 under the 17th resolution (for details, see Chapter 7 of this Registration Document).

(2) This indemnification agreement is described above.

Changes in the compensation structure

As part of the work done on the Chairman and Chief Executive Officer’s compensation and the revision of the elements of its overall structure, the Board of Directors hired a specialist outside consulting firm in 2015 to perform a comparative analysis of his compensation structure with the practices of a sample group made up of French and international technology companies and companies positioned in the payments ecosystem, namely: Dassault Systèmes, Gemalto, Technicolor, Verifone, Worldline, WorldPay, Vantiv, Global Payments, Total System Services and Heartland Payment.

This analysis was used to measure the competitiveness of the Chairman and Chief Executive Officer’s compensation and of Ingenico Group’s results compared to various sample groups, based on criteria selected by the Group (revenue growth, changes in net profitability and market capitalization). The results were used to evaluate the Chief Executive Officer’s performance, the link between his pay and performance, the relevance over time of the compensation structure and the objectives assigned to him, particularly in connection with the implementation of the 2016–2020 strategic plan.

Accordingly, in connection with the reappointment of the Chairman and Chief Executive Officer, and on the recommendation of the Compensation, Appointments and Governance Committee, the Board of Directors decided at its meeting of to review the elements of the Chief Executive Officer’s overall compensation structure in order to further align it with long-term value creation. It therefore decided to:

- increase the Chief Executive Officer’s fixed compensation with effect from 2016, and to maintain it throughout his term of office;
- focus on variable compensation mechanisms based on the Group’s short-, medium- and long-term performance, beyond the beneficiary’s term of office:
  - maintain a high level of variable compensation of up to 200% of the fixed salary, in line with the practices of competitors in the global payment market, including a strong incentive for medium-term performance,
  - enhance a deferred annual incentive component tied to the Company’s long-term performance in the form of the awarding of performance shares, with two criteria related to EBITDA and the performance of the share price relative to the SBF 120;

- not establish a defined benefit pension plan; and
- continue its policy of not allocating attendance fees.

Compensation structure 2016–2018

Against this backdrop, the Board of Directors decided to rebalance the compensation structure by placing a stronger emphasis on criteria linked to the Company's long-term performance:

- **a fixed annual salary of €800,000;**
- **a target annual variable compensation of 150% of the fixed annual salary,** *i.e.*, €1,200,000 with a maximum variable compensation of 200% of the fixed annual salary.

  For 2016, the variable compensation is based on the achievement of quantitative and qualitative criteria as set by the Board of Directors on February 18, 2016. The relative weighting remains unchanged compared to 2015:

  - quantitative targets, at 70 %, (€840,000) of the target annual variable compensation, tied to the Company's financial performance:
    - 40% tied to consolidated EBITDA,
    - 15% tied to consolidated revenue growth,
    - 15% tied to the free cash flow (excluding acquisitions, divestitures and special dividends).

    The compensation tied to attainment of these quantitative targets can go as high as 150% of the target variable compensation for the year (*i.e.*, €1,260,000).

  - qualitative objectives at 30%, the four criteria of which are consistent with the strategic plan 2016-2020 but cannot be disclosed for reasons of confidentiality and professional secrecy. However, at the end of the performance appraisal period, the Group will disclose these targets and their level of achievement. The target variable compensation for these criteria is capped at 100% (or €360,000);

- **no special bonus;**
- **no pension plan;**
- **no directors' attendance fees;**
- **a long-term incentive through the free award of performance shares, subject to two criteria, at least equal to the amount allocated in 2015;**
- **compensation owed in case of forced departure related to a change in control or strategy as described above.**

In addition, the Chairman and Chief Executive Officer shall continue to have use of a company car and receive executive director unemployment insurance.

3.3.1.1.2 Compensation due or paid to the Chief Executive Officer in 2015

Summary table of compensation and stock options and shares awarded to Philippe Lazare – Chief Executive Officer

	2015 *(Gross amount in euros)*	2014 *(Gross amount in euros)*
Compensation due for the year (detailed information in the table below)	1,992,538	2,038,358
Valuation of multi-year variable compensation awarded during the year	n.a.	n.a.
Valuation of options granted during the year	n.a.	n.a.
Valuation of free shares awarded	988,200	312,482
TOTAL	**2,980,738**	**2,350,840**

Summary table of compensation paid to Philippe Lazare – Chief Executive Officer

	2015 *(Gross amount in euros)*		2014 *(Gross amount in euros)*	
	Accrued during the year	Paid during the year	Accrued during the year	Paid during the year
Fixed compensation	700,000	700,000	700,000	700,000
Annual variable compensation (1)	1,279,803	1,326,021	1,326,021	1,012,951
Multi-year variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Attendance fees	None	None	None	None
Benefits in kind: company car + insurance for loss of office	12,735	12,735	12,337	12,337
TOTAL	**1,992,538**	**2,038,756**	**2,038,358**	**1,725,288**

(1) The variable compensation accrued during a year is paid in the following year.

Compensation paid in 2015

On March 27, 2014, the Board of Directors set Philippe LAZARE's target variable compensation for 2014 at €1,000,000 based on the performance criteria, of which 70% was tied to the Group's results and 30% to qualitative criteria. On February 18, 2015, after assessing the achievement of the quantitative and qualitative criteria in light of the Group's performance in 2014, the Board of Directors set Philippe Lazare's variable compensation for 2014 at €1,326,021.

Variable compensation paid in 2016 in respect of 2015

As noted above, the Board of Directors decided not to change the target variable compensation for 2015 by setting it at €1,000,000.

On February 18, 2016, the Board of Directors reviewed the above quantitative and qualitative criteria one by one to determine the level of achievement of each.

Based on the quantitative and qualitative criteria set by the Board on February 18, 2015 and considering the Company's performance at December 31, 2015, the amount of variable compensation was evaluated as follows:

- in quantitative terms, the Board noted the substantial outperformance of the three financial criteria used: consolidated revenue growth (target achieved: 105%), consolidated EBITDA (target achieved: 120%), and free cash flow (target achieved: 139%), resulting in year-end figures reaching 144% of the targets;
- in qualitative terms, the Board considered that Philippe Lazare's performance was excellent in the 2015 fiscal year, and that he had achieved the maximum percentage (100%) in two of the three criteria, namely: (i) execution of the Group's strategic vision; and (ii) acceleration of the development of multi-channel payment transactions. The third criterion – concerning the ePayments division – was considered to have been 70% achieved: the division's establishment and the integration of the GlobalCollect and Ogone teams was deemed a success, but the business plan objectives were not fully met, given the loss of a major customer.

Philippe Lazare's variable compensation for 2015 has therefore been set at €1,279,803, or 183% of his annual fixed compensation.

3.3.1.1.3 Long-term incentive

Information on performance shares awarded to the Chairman and Chief Executive Officer in fiscal year 2015

	Plan ref. no. and date	Number of shares granted during the year	Theoretical value of shares according to the method used for the consolidated financial statements *(in €)*	Date granted	Date of availability	Performance conditions
Philippe LAZARE	2015-1 dated July 29, 2015	10,000	988,200	July 29, 2017	July 29, 2019	See below
TOTAL		**10,000**	**988,200**			

In order to encourage the continued achievement of long-term business objectives, the Board of Directors, meeting on July 29, 2015, used the authorization granted by the Extraordinary General Shareholders' Meeting to set up a new performance share plan (Plan 2015-1). This is a simple, free share award plan for the Group's executive officers and managers, conditional on attendance and correlated to the Group's intrinsic performance (EBITDA) in line with the plan announced to the market.

Vesting thresholds for shares are as follows: 25% of shares vested at 90% achievement of the target; 50% of shares vested at 95% achievement of the target and 75% of shares vested at 100% achievement of the target. The maximum number of free share awards – *i.e.*, 100% – is reached at or above 104% achievement of the target.

The number of performance shares definitively awarded to Philippe Lazare at the end of the vesting period (two years) will therefore be calculated based on the level of achievement of this target.

In continuing this effort to associate the Chairman and Chief Executive Officer's compensation with the Group's performance and in accordance with best corporate governance practices, the free performance share award plans to be decided by the Board of Directors under the delegation of authority proposed to the Extraordinary General Shareholders' Meeting of April 29, 2016 and of which he will be a beneficiary, must have a minimum vesting period of three years for the performance shares awarded, and be conditional on the achievement of at least two performance criteria: an internal one related to the Group's financial and operational performance, and an external one related to the stock market performance.

Performance shares fully vested or available in 2015 for the sole executive officer

	Plan ref. no. and date	Number of shares available	Plan ref. no. and date	Number of shares fully vested	Final grant conditions
Philippe LAZARE	None	None	None	None	None

Number of shares available

No shares became available in 2015.

Fully vested shares

No shares were fully vested in 2015.

Mandatory holding period

Pursuant to Article L.225-197-1, II, paragraph 4, of the French Commercial Code, in relation to performance shares awarded free of charge to the Chairman and Chief Executive Officer, the Board of Directors must either prohibit the Chief Executive Officer from disposing of said shares until the end of his term of office, or specify the number of these shares that must be retained in registered form in his name until the end of his term of office.

For each performance share award to Philippe Lazare, the Board of Directors has resolved, pursuant to the aforementioned provision, that he shall be required to hold and maintain at all times in registered form no less than 15% of the total number of fully vested shares at the end of their holding period. Moreover, any share disposals must be carried out in compliance with the applicable stock market regulations and the procedures implemented within the Company. This mandatory holding period will apply at 40% for shares issuing from performance share allocations which would be decided by the Board of Directors as from February 18, 2016.

Furthermore, as recommended by the AFEP-MEDEF Code, Philippe LAZARE has committed to not use hedging instruments on the performance shares that have been or will be allocated to him by the Company in connection with his duties, for as long as he remains an executive officer of the Company.

3.3.1.2 Attendance fees and other compensation received by non-executive directors

The Combined Ordinary and Extraordinary Shareholders' Meeting of May 6, 2015 increased the maximum annual budget for attendance fees from €400,000 to €500,000. The allocation of the annual amount of attendance fees approved by the Annual General Shareholders' Meeting has been designed to promote the independence of directors, the chairmanship of the special focus committees and the members' attendance at meetings of the Board and the special focus committees. As recommended by the AFEP-MEDEF Code, the variable portion of attendance fees (contingent on actual attendance at Board and Committee meetings) is preponderant.

The total amount of attendance fees awarded to directors and the compensation of the independent advisor amounted to €500,000 for 2015, paid out as follows (in €):

Non-executive directors in 2015	Gross amounts accrued in 2015 and paid in 2016	Gross amounts accrued in 2014 and paid in 2015
Jean-Louis CONSTANZA Independent director	€59,659	€35,359
Diaa ELYAACOUBI Independent director	€65,341	€46,409
Colette LEWINER Independent director since October 22, 2015	€12,784	-
Xavier MORENO Independent director	€88,068	€66,298
William NAHUM Independent advisor	€25,568	€19,890
Florence PARLY Independent director	€95,171	€53,591
Thibault POUTREL Director	€44,034	€28,729
Élie VANNIER Independent director	€89,489	€69,061
Jean-Pierre COJAN Director until May 19, 2015	€12,784	€29,834
Celeste THOMASSON Director until May 19, 2015	€7,102	€26,519
Jean-Paul JAINSKY Director until May 7, 2014	-	€24,309
TOTAL	**€500,000**	**€400,000**

Except for Philippe Lazare, the only executive officer for whom information is provided above, no other member of the Board of Directors received any additional compensation or other benefits in kind during 2015.

No compensation, other than the compensation mentioned above, was paid to directors and executive officers of the Company by other Group companies during 2015.

3.3.1.3 Pensions, post-employment and other benefits paid to directors and executive officers

None.

3.3.1.4 Loans granted to or warranties provided in favor of directors and executive officers

None.

3.3.2 Compensation of Executive Committee members

Compensation awarded to the members of the Executive Committee is composed of fixed compensation and annual variable compensation tied to the attainment of budget targets for the current year, as well as to the attainment of long-term strategic business objectives that are modulated to reflect each member's position. Depending on the position, variable compensation for the year may be equal to anywhere from 40% to 100% of fixed compensation when targets are met. For executives with operational responsibility for a region or business line, 80% of this variable component is related to financial targets in their region or business line, and 20% to strategic targets. For executives with responsibility for corporate functions, 60% is usually tied to the Group's financial targets and 40% to strategic targets in their areas.

As with the Chairman and the Chief Executive Office, Company executives are involved in the Group's growth through the allocation of free shares. The number of shares granted depends on attendance conditions and the Company's medium-term performance and may also be allocated in conjunction with a co-investment

These plans aim to encourage achievement of the Group's long-term objectives and the value creation associated with it.

Performance criteria apply to all shares awarded and take into account an assessment that is intrinsic or relative based on the Company's business and stock-market performance. Performance criteria and their rate of attainment are the same for all Executive Committee members, including the Chairman and Chief Executive Officer.

A deferred compensation policy is applicable to all members of the Executive Committee.

A company car is provided to each Executive Committee member.

3.3.3 Shareholdings of executive officers and employees in Ingenico Group

Ingenico Group periodically grants stock options and performance shares to executives and to top and middle management. Shares are allotted either for attainment of specific operational results or on the basis of commitments made by the beneficiary. Conditions for share grants are decided by the Board of Directors upon recommendation by the Compensation, Appointments and Governance Committee at the same time each year, after publication of the annual report, in accordance with the recommendations in the AFEP-MEDEF Code.

3.3.3.1 Performance shares

Following the authorization granted at the Annual General Shareholders' Meeting, the Board of Directors decided, based on the recommendation of the Compensation, Appointments and Governance Committee, to establish a free share award policy based on performance and, where relevant, investment. Consequently, since 2010, Ingenico has been implementing this policy by developing the corresponding schemes to encourage involvement by employees in the Group's overall performance, in particular through retention programs aimed at management teams of companies recently acquired due to external growth.

The plans implemented by Ingenico Group SA share similar features. Free share awards are not final until after a minimum vesting period of two or four years, depending on the country. At the end of this vesting period, subject to conditions determined by the relevant plan such as performance, continuous service within the Group or, where relevant, investment, these shares are vested and fully-owned by the beneficiaries.

For plans with a two-year vesting period, an additional two-year holding period is mandatory once the shares are fully vested. There is no mandatory holding period for plans with a four-year vesting period.

Continuing the process initiated in 2010, the Board of Directors, meeting on July 29, 2015 and October 22, 2015, making use of the authorization granted by the Extraordinary Shareholders' Meeting of May 6, 2015 and based on the recommendations of the Compensation, Appointments and Governance Committee, approved the plans to award 188,900 performance shares to 168 executive officers and middle management staff. These plans are conditional on attendance and correlated to the intrinsic performance (EBITDA) of the Group as detailed above.

These plans provide for adjustable vesting periods (from two to four years) and holding periods (from zero to two years), depending on the country.

At the end of the vesting period, the beneficiaries must be either:

- an employee of the Company, a subsidiary or an associated company;
- an executive officer (Chairman of the Board of Directors, Chief Executive Officer or Deputy Chief Executive Officer) of the Company, a subsidiary or an associated company.

If this condition is not met (especially in the event that the beneficiary's employment contract or term of office is terminated for any reason before the end of the vesting period), the free share award lapses and the beneficiary forfeits any right to the allocation of shares(1).

For future free performance share award plans, a proposal is put before the Annual General Shareholders' Meeting of April 29, 2016 to increase the vesting period from two to a minimum of three years, as part of the proposed delegation of authority to the Board of Directors under the 30th resolution, and to set a minimum of two performance criteria for the Company's directors and executive officers: an internal one related to the Group's financial and operational performance, and an external one related to the stock market performance.

Performance shares granted to the top ten non-director employees in respect of 2015

Plan 2015-1 of July 29, 2015	35,000
Plan 2015-2 of October 22, 2015	None

Summary of past free performance share awards

INFORMATION ON FREE SHARES AWARDED SINCE THE AUTHORIZATION OF THE ANNUAL GENERAL SHAREHOLDERS' MEETING OF MAY 11, 2010

Annual General Shareholders' Meeting of May 11, 2010	2012-1	2012-2
Date of Board meeting	6/22/2012	6/22/2012
Total number of shares granted for free	73,000	392,384
of which shares granted to Directors and executive officers:		
Director/Executive officer 1	None	17,448
Vesting date	6/22/2014	6/22/2014
End of holding period	6/22/2016	6/22/2016
Number of shares vested at June 22, 2014	63,000	334,832
Free shares outstanding at December 31, 2015	None	None

Annual General Shareholders' Meeting of April 29, 2013	2013-1	2014-1	2014-2
Date of Board meeting	10/30/2013	10/29/2014	10/29/2014
Total number of shares granted for free	5,500	31,200	199,470
of which shares granted to Directors and executive officers:			
Director/Executive officer 1	None	None	6,500
Vesting date	10/30/2015	10/29/2016	10/29/2016
End of holding period	10/30/2017	10/29/2018	10/29/2018
Aggregate number of shares canceled or expired at December 31, 2015	1,000	2,400	17,280
Number of shares vested at December 31, 2015	4,500	None	None
Free shares outstanding at December 31, 2015	None	28,800	182,190

(1) This is not the case for Philippe Lazare with regard to his indemnity in the event of early termination (see section 3.3.1.1 of this Registration Document).

On October 30, 2013, the Board of Directors decided to award 5,500 free shares, subject to conditions of attendance and the level of attainment of performance criteria linked to the Group's consolidated EBITDA).

On October 29, 2014, the Board of Directors decided to award:

- 31,200 free shares, subject to conditions of attendance and intrinsic performance linked to consolidated EBITDA and the relative stock market performance;
- 199,470 free shares, subject to conditions of attendance, subscription of Company shares, and performance – both external (performance of the Company's share price compared to the SBF 120) and internal (Group consolidated EBITDA).

Annual General Shareholders' Meeting of May 6, 2015	2015-1	2015-2
Date of Board meeting	7/29/2015	10/22/2015
Total number of shares granted for free	186,900	1,400 600
of which shares granted to Directors and executive officers:		
Director/Executive officer 1	10,000	None
Vesting date	7/29/2017	10/22/2017 11/2/2017
End of holding period	7/29/2019	10/22/2019 11/2/2019
Aggregate number of shares canceled or expired as of December 31, 2015	None	None
Aggregate number of shares canceled or expired as of December 31, 2015	None	None
Free shares outstanding at December 31, 2015	186,900	2,000

At its meetings of July 29, 2015 and October 22, 2015, the Board of Directors decided to award 186,900 and 2,000 free shares respectively (subject to conditions of attendance and the level of attainment of a performance criterion linked to the Group's consolidated EBITDA).

3.3.3.2 Stock options

As at December 31, 2015, there were no outstanding stock options.

Share subscription or purchase options granted by the Company or any Group company or subscribed by each director or executive officer in 2015

None.

3.3.3.3 Incentive programs and employee profit-sharing

In addition to the employee profit-sharing scheme required under French law, Ingenico Group SA has set up an optional incentive program so that all employees can participate in the Group's success and in achieving its objectives of advancement and growth.

Incentive program rewards are calculated on the basis of the extent to which the Group's revenue and profit targets have been met or exceeded.

Ingenico SA's incentive program was signed on June 4, 2015 with the employee representative bodies. It covers fiscal years 2015, 2016 and 2017.

3.3.3.4 Employee Savings Plan – Employee share offers

A company savings plan enables employees of the subscribing entities to make voluntary deposits or invest the amounts received under the incentive program or employee profit-sharing scheme.

They are eligible to receive an employer's contribution of a maximum of €2,000 per year on the amount of incentive program rewards and voluntary payments deposited in the employee savings plan.

The investment structures available are the Ingenico Actionnariat France collective employee mutual fund (FCPE) entirely invested in the Company's shares, established at the time of the 2010 capital increase reserved for employees, and a range of multi-company FCPE funds offering the choice of investment in different asset classes (equities, bonds, money market funds), thus allowing employees to diversify their savings.

Under the authorization granted by the Annual General Shareholders' Meeting of May 7, 2014, the Board of Directors decided at its meetings of February 18, 2015 and May 6, 2015 to implement a capital increase reserved for employees. The operation was carried out between June 2-22, 2015, and the shares subscribed by the FCPE were fully paid up and were entitled to dividends as at January 1, 2015. The conditions for subscription were as follows:

- the subscription price was set at 80% of the average quoted closing prices over the 20 trading sessions prior to May 6, 2015, or €85.96. This price corresponds to a par value of €1 and an issue premium of €84.96;

- an employer matching contribution of 200% (up to €1,000) for up to €500 of investment (capped at €2,000 per employee).

This operation resulted in the creation of 23,673 new shares on July 31, 2015.

As at December 31, 2015, the employees of the Group, within the meaning of Article L.225-102 of the French Commercial Code, held 0.26% of the share capital of Ingenico Group SA.

3.3.3.5 Collective pensions saving scheme

A group agreement on the collective pensions saving scheme (PERCO) was signed on July 20, 2012 and amended on March 26, 2015 to enable Company employees to save for their retirement with assistance from their employer.

Employees can also choose to make voluntary payments or apply all or part of their incentive rewards to the scheme, with matching employer payments of 100% of each payment made up to €2,000 gross per year and per employee for 2015. Beginning in 2016, employees will receive a matching contribution of 100% of payments made up to €1,500 per year per employee and of 50% beyond the first €2,000.

3.3.3.6 Trading restrictions on shares

The Board of Directors established Rules of Procedure and a Code of Stock Market Compliance relating to trading in Company shares and to the prevention of insider trading misconduct. These rules incorporate, inter alia, rules of corporate governance upheld by the Board, and in particular, rules related to the duties and functioning of the Board and its committees and rules governing the conduct of Board members, for example, when trading in the Company's shares.

The information disclosed to members of the Board Directors in their official capacity is subject to the provisions of Article L.465-1 of the French Monetary and Financial Code and Articles 621-1 to 622-2 of the AMF's General Regulations.

In particular, if the Board of Directors receives specific confidential information that may, at the time of its publication, significantly impact the share price of the Company, its subsidiary or an affiliated entity, the Board members must refrain from using this privileged information by purchasing or selling or attempting to purchase or sell, either directly or indirectly, on their own behalf or on behalf of a third party, the financial instruments to which this information pertains or financial instruments to which these instruments are related.

They must also refrain from:

- disclosing this information to another person outside the ordinary scope of their business, profession or duties or for any purpose other than that for which the information was disclosed to them;
- recommending to another person, based on inside information, to purchase or sell or to have another person purchase or sell the financial instruments to which this information pertains or financial instruments to which these instruments are related.

To prevent such insider trading, at the end of each fiscal year the directors are provided with a timetable for the following year that includes trading blackout periods and the publication dates of the Company's financial information. This timetable is also uploaded to the Company's intranet site.

3.3.3.7 Share transactions by directors and executive officers of Ingenico Group

Pursuant to Article 223-26 of the AMF's General Regulations, the following chart lists the transactions disclosed in 2015 by the directors and officers referred to in Article L.621-18-2 of the French Monetary Financial Code:

Declaring director or executive officer	No. of the AMF decision/notice	Financial instru-ment	Type of transaction	Transaction date	Date of receipt of declaration	Place of transaction	Unit price *(in €)*	Transaction amount *(in €)*
Pierre-Antoine VACHERON	2015DD347120	Shares	Sale	Dec. 23, 2014	Jan. 14, 2015	Euronext Paris	86.5699	431,760.24
Pierre-Antoine VACHERON	2015DD347116	Shares	Sale	Aug. 26, 2014	Jan. 14, 2015	Euronext Paris	75.7723	113,658.45
Pierre-Antoine VACHERON	2015DD347292	Shares	Sale	Dec. 19, 2014	Jan. 14, 2015	Euronext Paris	85.569	189,317.56
Pierre-Antoine VACHERON	2015DD347119	Shares	Sale	Dec. 19, 2014	Jan. 14, 2015	Euronext Paris	85.6392	894,265.94
An individual affiliated to SWISS LIFE (Luxembourg) SA, representative	2015DD380720	Shares	Sale	Jan. 15, 2015	July 20, 2015	Euronext Paris	88.283	882,830
Jacques BEHR	2015DD360059	Shares	Sale	March 19, 2015	March 25, 2015	Euronext Paris	104.00	189,904
Jacques BEHR	2015DD360063	Shares	Sale	March 20, 2015	March 25, 2015	Euronext Paris	104.00	299,728
Chloé MAYENOBE	2015DD361787	Shares	Sale	March 31, 2015	April 3, 2015	Euronext Paris	104.1592	127,803.34
Élie VANNIER	2015DD369251	Shares	Purchase	May 14, 2015	May 15, 2015	Euronext Paris	95.8	1,628.60
Thibault POUTREL	2015DD375948	Shares	Sale	April 1, 2015	June 22, 2015	Euronext Paris	1: 100.92 2: 100.92	1: 63,584.45 2: 63,584.45
Thibault POUTREL	2015DD375949	Shares	Sale	May 7, 2015	June 22, 2015	Euronext Paris	1: 109.45 2: 109.45	1: 547,275.5 2: 547,275.5
Pierre-Antoine VACHERON	2015DD376956	Shares	Subscription	June 9, 2015	June 27, 2015	Euronext Paris	95.8	65,718
Thibault POUTREL	2015DD387351	Shares	Sale	Aug. 3, 2015	Aug. 31, 2015	Euronext Paris	1: 113.9333 2: 113.9333	1: 31,217.75 2: 31,217.75
Thibault POUTREL	2015DD387357	Shares	Sale	Aug. 6, 2015	Aug. 31, 2015	Euronext Paris	1: 120.64 2: 120.64	1: 33,055.36 2: 33,055.36
Thibault POUTREL	2015DD387365	Shares	Sale	Aug. 13, 2015	Aug. 31, 2015	Euronext Paris	1: 121.05 2: 121.05	1: 33,167.7 2: 33,167.7
Thibault POUTREL	2015DD387368	Shares	Sale	Aug. 20, 2015	Aug. 31, 2015	Euronext Paris	1: 127.1 2: 127.1	1: 34,825.4 2: 34,825.4
Thibault POUTREL	2015DD387369	Shares	Sale	Aug. 28, 2015	Aug. 31, 2015	Euronext Paris	1: 120.4 2: 120.4	1: 32,989.6 2: 32,989.6
Thibault POUTREL	2015DD388581	Shares	Sale	Sept. 3, 2015	Sept. 8, 2015	Euronext Paris	1: 108.537 2: 108.537	1: 29,739.138 2: 29,739.138
Thibault POUTREL	2015DD389869	Shares	Sale	Sept. 10, 2015	Sept. 15, 2015	Euronext Paris	1,101.578 2: 101.578	1: 27,832.372 2: 27,832.372
Thibault POUTREL	2015DD391678	Shares	Sale	Sept. 24, 2015	Sept. 25, 2015	Euronext Paris	1: 106.21 2: 106.21	1: 29,101.54 2: 29,101.54
Thibault POUTREL	2015DD395878	Shares	Sale	Oct. 1, 2015	Oct. 20, 2015	Euronext Paris	1: 108.222 2: 108.222	1: 29,652.83 2: 29,652.83
Thibault POUTREL	2015DD395885	Shares	Sale	Oct. 15, 2015	Oct. 20, 2015	Euronext Paris	1: 107.25 2: 107.25	1: 29,386.5 2: 29,386.5
Thibault POUTREL	2015DD396403	Shares	Sale	Oct. 22, 2015	Oct. 23, 2015	Euronext Paris	1: 112.61 2: 112.61	1: 30,855.14 2: 30,855.14
Thibault POUTREL	2015DD397307	Shares	Sale	Oct. 29, 2015	Oct. 29, 2015	Euronext Paris	1: 104.95 2: 104.95	1: 31,275.1 2: 31,275.1
Colette LEWINER	2015DD401732	Shares	Purchase	Nov. 19, 2015	Nov. 26, 2015	Euronext Paris	108.3638	109,447.44
Alderville Investment, a legal entity affiliated to Thibault POUTREL	2015DD404203	Shares	Sale	Dec. 1, 2015	Dec. 10, 2015	Euronext Paris	119.33	501,190.05
Michel LEGER	2015DD404940	Shares	Sale	Dec. 2, 2015	Dec. 16, 2015	Euronext Paris	119.82	147,498.42

3.4 Statutory auditors' special report on regulated agreements and commitments

Annual General Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2015

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby present to you our report on regulated agreements and commitments.

We are not required to ascertain whether any other agreements or commitments exist but to inform you, on the basis of the information provided to us, of the terms and conditions of those that have been disclosed to us or identified in the course of our work, as well as the reasons given justifying their benefits for the company. It is not our role to determine whether they are beneficial or appropriate. It is your responsibility, under the terms of Article R.225-31 of the French Commercial Code, to evaluate the benefits arising from these agreements and commitments prior to their approval.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R.225-31 of the French Commercial Code on the execution, during the previous year, of agreements and commitments previously approved by the Annual General Shareholders' Meeting.

We performed the procedures we deemed necessary for the completion of this engagement, in accordance with the professional guidance provided by the Compagnie Nationale des Commissaires aux Comptes, France's national organization of statutory auditors. Our work consisted in verifying the consistency of the information provided to us with the source documents on which it was based.

Agreements and commitments subject to the approval of the Annual General Shareholders' Meeting

Agreements and commitments entered into by the Company in 2014

We hereby inform you that we have not been notified of any agreement or commitment entered into by the company in 2014, to be submitted to the Annual General Shareholders' Meeting for approval, under Article L.225-38 of the French Commercial Code.

Agreements and commitments authorized since the financial year-end

In accordance with Article L.225-38 of the French Commercial Code, we have been informed of the following agreements and commitments that have been authorized since the financial year-end and were approved beforehand by your Board of Directors.

Renewal of commitments to Mr. Philippe Lazare, Chairman and Chief Executive Officer

Description

During its meeting on February 29, 2016, your Board of Directors approved, on the basis of the recommendation made by the Compensation, Appointments and Governance Committee, in accordance with Article L.225-42-1 of the French Commercial Code, subject to Mr. Philippe Lazare being reappointed as your Company's Chairman and Chief Executive Officer at the end of the Annual General Shareholders' Meeting convened to approve the financial statements for 2015, the renewal of the agreement governing your Company's commitments to Mr. Philippe Lazare for termination benefits in the event of the termination of his employment, based on the terms and conditions set out below.

Terms and conditions

Mr. Philippe Lazare will receive termination benefits equivalent to 18 months of his reference compensation if he is forced to leave in connection with a change of control, or 12 months of his reference compensation in the other cases of forced departures relating to a change of strategy.

This reference compensation corresponds to the average gross monthly fixed and variable compensation received by Mr. Philippe Lazare in his position as Chairman and Chief Executive Officer for the last two full financial years ended prior to the date when his employment is terminated.

The termination benefits will only be paid if he is forced to leave in connection with a change of control or strategy, initiated by the Board of Directors, subject to the performance conditions set out below. It will not be due in the event of any cases of gross misconduct or gross negligence.

Payment of these benefits will be based on the average level of achievement of the objectives set for the variable component of Mr. Philippe Lazare's compensation for the last two full financial years ended prior to the date when his employment is terminated.

If his employment is terminated under the conditions presented above, Mr. Philippe Lazare will continue to be entitled to the performance shares vesting on the date of his departure, prorated based on the period for which he is present and depending on the level of achievement of the aforementioned performance conditions.

Reasons justifying the commitment's benefits for the Company

The decision to renew the agreement governing your Company's commitments to Mr. Philippe Lazare for termination benefits under the terms and conditions set out above was justified as follows: "This agreement is an incentive tool and part of the structure for the Chairman and Chief Executive Officer's compensation."

Agreements and commitments already approved by the Annual General Shareholders' Meeting

Agreements and commitments approved in prior years

a) That remained in effect during the previous fiscal year

In accordance with Article R.225-30 of the French Commercial Code, we were advised that the following agreements and commitments, approved by the Annual General Shareholders' Meeting in prior years, remained in effect during the previous fiscal year.

CRYPTOLOG AGREEMENT

Description

As approved by the Board of Directors on September 20, 2006:

Agreement with CRYPTOLOG to provide its Cryptolog Identity PKI solution in SaaS mode.

Terms and conditions

For this service, an expense of €138,540, taxes not included, was recorded in 2015.

b) Not applied during the last fiscal year

In addition, we were advised that the following agreements and commitments, approved by Annual General Shareholders' Meetings in prior years, remained in effect but were not applied during the last fiscal year.

COMMITMENTS TO MR. PHILIPPE LAZARE, CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Description

As approved by the Board of Directors on July 17, 2007, December 12, 2007, January 23, 2008, March 14, 2008 and May 3, 2012:

Termination benefits in the event of termination of his employment and applicable performance conditions.

Terms and conditions

In the event of removal for any reason other than gross misconduct:

- within 12 months of his appointment, the company shall pay him one year's salary;
- he shall maintain his entitlement to the free shares for which the vesting period has not expired.

Performance conditions:

- EBIT growth in line with revenue growth during his term in office;
- stability or increase in the Company's market share during his term of office.

The statutory auditors

Paris La Défense, March 15, 2016

KPMG Audit IS	Mazars	Mazars
Frédéric Quélin	Thierry Blanchetier	Ariane Mignon
Partner	*Partner*	*Partner*

3.5 Statutory auditors' report, prepared in accordance with Article L.225-235 of the French Commercial Code, on the report of the Chairman of the Board of Directors of Ingenico Group SA

Fiscal year ended December 31, 2015

To the Shareholders,

In our capacity as statutory auditors of Ingenico Group SA and in accordance with Article L.225-235 of the French Commercial Code *(Code de commerce)*, we hereby report to you on the report prepared by the Chairman of your company in accordance with Article L.225-37 of the French Commercial Code for the year ended December 31, 2015.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the Company and containing the other disclosures required by Article L.225-37 of the French Commercial Code, particularly as regards corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of accounting and financial information; and
- to attest that the report contains the other disclosures required by Article L.225-37 of the French Commercial Code, it being specified that we are not responsible for verifying the accuracy of these disclosures.

We conducted our audit in accordance with professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

These standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of accounting and financial information.

These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based, and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the Company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information, contained in the report prepared by the Chairman in accordance with Article L.225-37 of the French Commercial Code.

Other disclosures

We hereby attest that the Chairman's report includes the other disclosures required by Article L.225-37 of the French Commercial Code.

The statutory auditors

Paris - La Défense, February 18, 2016

KPMG Audit IS	Mazars	Mazars
Frédéric Quélin	Thierry Blanchetier	Ariane Mignon
Partner	*Partner*	*Partner*

4 COMMENTS ON THE FINANCIAL YEAR

4.1 Management report

The consolidated financial data has been drawn up in accordance with International Financial Reporting Standards. In order to provide meaningful comparable information, that data has 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 IFRS 3R, 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 is discussed on an adjusted basis, i.e., before Purchase Price Allocation (PPA).

To facilitate assessment of the Group's performance from January 1, 2015 onward, consolidated revenue and the key consolidated financial figures for 2014 have been restated, with effect from January 1, 2014, to reflect the acquisition of GlobalCollect completed on September 30, 2014 ("2014 pro forma") and presented on a non-audited adjusted basis (restated to reflect Purchase Price Allocation expenses recognized on acquisitions and divestitures).

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.

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.

Key figures

				FY 2015 Change/	
(in millions of euros)	**2015**	**2014 pro forma** [(1)]	**2014 Reported** [(a)]	**2014 pro forma** [(1)]	**2014 reported**
Revenue	2,197	1,846	1,607	+14% [(2)]	+37%
Adjusted gross profit	972	807	735	+20%	+32%
As a % of revenue	*44.3%*	*43.7%*	*45.7%*	*60bps*	*-140bps*
Adjusted operating expenses	(536)	(446)	(411)	20%	30%
As a % of revenue	*-24.4%*	*-24.2%*	*-25.6%*	*20bps*	*-120bps*
Profit from ordinary activities, adjusted (EBIT)	437	361	324	21%	35%
As a % of revenue	*19.9%*	*19.6%*	*20.2%*	*30bps*	*-30bps*
Operating margin	381	-	273	-	40%
Net profit	235	-	172	-	37%
Net profit attributable to Group shareholders	230	-	172	-	34%
EBITDA	508	415	377	22%	35%
As a % of revenue	*23.1%*	*22.5%*	*23.4%*	*60bps*	*-30bps*
Free cash flow	285	-	255	-	12%
Net debt	252	-	764	-	-67%
Net debt-to-EBITDA ratio	0.5x		1.7x [(b)]		
Equity attributable to Group shareholders	1,506	-	1,074	-	40%

(a) 2014 results include GlobalCollect contribution as of October 1, 2014.
(b) After accounting for 2011-2017 OCEANEs early redemption.

(1) Pro forma figures including the contribution of GlobalCollect from January 1, 2014.
(2) On a like-for-like basis at constant exchange rates.

4.1.1 Financial data

14% organic growth in revenue

	2015			Q4 2015		
	In millions of euros	% change		In millions of euros	% change	
		Comparable [(a)(2)]	Reported [(b)]		Comparable [(a)(2)]	Reported [(b)]
Europe-Africa	765	5%	5%	208	6%	6%
APAC & Middle East	437	19%	34%	121	17%	25%
Latin America	228	24%	11%	54	10%	-11%
North America	319	44%	69%	97	48%	70%
ePayments	448	7%	n.a.	112	-4%	0%
TOTAL	**2,197**	**14%**	**37%**	**592**	**11%**	**13%**

(a) Reflecting the new regional breakdown and the acquisition of GlobalCollect as of January 1, 2014.
(b) Reflecting the new regional organization structure.

Performance for the year

In 2015, revenue totaled €2.197 billion, representing a 37% increase on a reported basis, including a positive foreign exchange impact of €95 million. Total revenue included €1.532 billion generated by the Payment Terminals business and €665 million generated by Payment Services activities [(3)].

On a comparable basis [(2)], revenue growth was 14% higher than in 2014, due to strong business in both segments. The 16% increase recorded in Payment Terminals was attributable to a variety of factors, including the deployment of NFC technology across all regions (83% of all Telium terminals shipped in 2015), EMV migration in the United States and ongoing adoption of electronic payment equipment in emerging markets. The Payment Services activities [(1)] also saw 9% growth, driven by a buoyant e-business market, vigorous in-store payment services and the Group's first cross-channel contracts. Excluding this event affecting ePayments, Payment Services activities [(3)] revenue would have been up by 11%.

All regions contributed to the Group's overall performance during the period. **In Europe-Africa (up 5%),** revenue growth is stable in France, while competitive pressure increased. The Group's performance in the region was supported by strong business in the United Kingdom, Germany and Eastern Europe, as well as in-store payment services.

Ingenico Group's rapid expansion has continued in **North America (up 44%),** mainly driven by the United States (up 81%), which is now the Group's biggest market. Ingenico Group has also continued to gain ground in **emerging markets,** and particularly in China, Brazil and India.

In spite of a non-recurring event in the third quarter, the ePayments Division made significant operational progress in 2015, integrating Ogone and GlobalCollect, developing new products and launching a new dedicated brand.

Increasing gross profit

In 2015, adjusted gross profit for the year rose to €972 million and 44.3% of revenue. This represented an increase of 20% and 60 basis points against the 2014 pro forma figure [(1)].

Gross margin in the Payment Terminals business saw a 50 basis-point increase to 47.5% of revenue [(1)] This result was driven by strong growth in the segment, combined with the economies of scale achieved by the Group.

Gross margin in Payment Services activities[(3)] rose 20 basis points [(1)] to 36.9% of revenue, an achievement mainly due to continued optimization of operating costs on in-store transaction processing platforms.

Operating expenses under control

Reported operating expenses stood at €572 million in 2015 compared with €438 million in 2014 and represented 26% of revenue.

(1) Pro forma figures including the contribution of GlobalCollect from January 1, 2014.
(2) On a like-for-like basis at constant exchange rates.
(3) Payment Services activities: online and instore.

(in millions of euros)	2014 reported	2014 pro forma [1] adjusted	2015 reported	Restatement related to amortization	2015 adjusted
Sales & Marketing	157	145	202	(34)	168
Research and development	115	115	157	(2)	155
General & Administrative	166	186	212	-	212
TOTAL OPERATING EXPENSES	**438**	**446**	**572**	**(36)**	**536**
As a % of revenue	**27.3%**	**24.2%**	**26.0%**		**24.4%**

After accounting for Purchase Price Allocation expenses of €36 million, adjusted operating expenses in 2015 totaled €536 million, up 20% [1]. This increase can be attributed to expenditures for the acceleration of platform convergence, market rollout of the new terminal range Telium Tetra and the development of the new online payment offers. Adjusted operating expenses represented 24.4% of revenue, versus 24.2% in 2014 on a pro forma basis [1].

EBITDA margin of 23.1%

On a pro forma basis [1], EBITDA increased by 22% to €508 million, up from €415 million in 2014. EBITDA margin increased by 60 basis points to 23.1% of revenue.

EBIT margin of 19.9%

In 2015, profit from ordinary activities increased by 25% to €389 million compared with €310 million in 2014 pro forma [1]. Operating margin increased by 90 basis points to 17.7% of revenue. Profit from ordinary activities included Purchase Price Allocation expenses of €48 million against €32 million in 2014.

Impact of purchase of price allocation (PPA)

(in millions of euros)	2015 adjusted Excl. PPA	PPA Impact	2015
Gross Profit	972	(12)	960
Operating expenses	(536)	(36)	(572)
Profit from ordinary activities	**437**	**(48)**	**389**

In 2015, on comparable basis, EBIT increased by 21% to €437 million, compared with €361 million in 2014 on a pro forma basis [1]. The EBIT margin was 19.9% revenue, up 30 basis points.

Increased profit from operating activities

Other operating income and expenses represented a net expense of €8 million. In 2014, the Group recorded a net expense of €18 million, related to the acquisition and integration of new entities.

(in millions of euros)	2015	2014 reported
Profit from ordinary activities	389	292
Profit from operating activities	(8)	(18)
Operating margin	**381**	**273**
As a % of revenue	17.3%	17.0%

After accounting for Purchase Price Allocation and other operating income and expenses, profit from operations totaled €381 million, compared with €273 million in 2014. The Group's operating margin increased to 17.3% of revenue.

(1) Pro forma figures including the contribution of GlobalCollect from January 1, 2014.

Reconciliation of profit from ordinary activities to EBITDA

(in millions of euros)	2015	2014 pro forma [1]	2014 reported
Profit from ordinary activities	**389**	**-**	**292**
Amortization of assets acquired	48	-	32
EBIT	437	361	324
Other D&A and changes in provisions	55	45	44
Share-based payment expenses	16	9	9
EBITDA	**508**	**415**	**377**

Financial results

(in millions of euros)	2015	2014 reported
Interest expenses	(21)	(28)
Income from cash and cash equivalents	10	10
Net finance costs	(11)	(18)
Foreign exchange gains/losses	(5)	(2)
Other financial income	(3)	-
Financial result	(19)	(19.5)

Rising net profit attributable to Group shareholders

(in millions of euros)	2015	2014 reported
Profit from ordinary activities	381	273
Financial result	(19)	(19,5)
Share of profit of equity-accounted investees	(3)	(1)
Profit before income tax	359	252
Income tax	(125)	(81)
Net profit	235	172
Net profit attributable to shareholders	230	172

In 2015, the net profit attributable to Group shareholders rose sharply from €172 million in 2014 to €230 million in 2015.

This result includes net finance costs of -€19 million, which showed little change.

Income tax expense rose from €81 million in 2014 to €125 million in 2015. As of December 31, 2015, the effective tax rate for Ingenico Group was 34.5%, up from 31.8% in 2014, as taxation became less favorable in a number of emerging economies in 2015 and the Group earned a larger share of its profits in high-tax countries.

Proposed dividend of €1.30 per share, up 30%

In keeping with the Group's dividend policy, the Board of Directors will propose at the Annual Meeting of April 29, 2016 a dividend of €1.30 per share, representing a payout ratio of 35%. Dividends will be payable in cash or in shares, according to the holder's preference.

(1) Pro forma figures including the contribution of GlobalCollect from January 1, 2014.

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

The total equity attributable to Ingenico Group SA shareholders was €1.506 billion.

In 2015, Ingenico Group's operations generated free cash flow of €285 million, up from €255 million in 2014. This reflected a significant increase in EBITDA, along with a negative change in working capital of €14 million. At the same time, Ingenico Group stepped up its investments to finance the expansion of its ePayments platforms: net income from investment activities totaled €62 million, compared with €51 million in 2014. Income tax paid totaled €137 million, compared with €93 million in 2014. The EBITDA to FCF conversion ratio reached 56%.

Ingenico Group's net debt fell from €764 as of December 31, 2014 to €252 million, reflecting the early redemption of OCEANE bonds at the beginning of 2015.

As a result, the net debt-to-equity ratio was 17%, while the net debt-to-EBITDA ratio was 0.5, down from 1.8 at December 31, 2014.

4.1.2 Significant events occured since December 31, 2015

All significant events which occurred since December, 31 2015 are described in the Note 15 "Subsequent events" in the notes to the consolidated financial statements as of December 31, 2015.

4.1.3 Principal risks and uncertainties in 2016

Ingenico Group faces the same risks as described in the 2015 Registration Document *(Document de Référence)*.

4.1.4 Related-party transactions

In 2015, there were no material transactions liable to be considered new regulated agreements. See Note 6.d. on "Related-party transactions" in the notes to the consolidated financial statements as of December 31, 2015.

4.2 2016 Outlook

With its unique positioning in a structurally growing electronic payment market, Ingenico Group has entered 2016 with full confidence.

The Group expects revenue to grow by roughly 10% on a like-for-like basis at constant exchange rates.

In 2016, Ingenico Group also expects its EBITDA margin to be around 21%, reflecting a stepped-up focus on developing and bringing its ePayments and other offers to market.

4.3 Comments on the parent company financial statements

It should be borne in mind that the Company has three distinct roles:

- the role of a holding company;
- a corporate role encompassing R&D and production work for Ingenico Group;
- a sales and marketing role in France and the EMEA region.

The highlights of 2015 were as follows:

- the rise in revenue on the back of increasing business in France and abroad;
- the increase in the profit from operations generated by the Company's operating performance;
- the receipt of considerable dividends from subsidiaries, totaling €185.4 million;
- the sale of a 20% interest in Ingenico Holdings Asia for €95.3 million, generating a gain on disposal of €73.5 million;
- the acquisition of 100% of Ingenico Canada from Ingenico Corp for €33.9 million;
- the conversion of the balance of the 2017 OCEANE bonds for €119 million with the issuance of 3,216,566 new shares;
- the issuance of a €500 million OCEANE bond maturing on June 26, 2022, to improve the Company's financial flexibility for its growth strategy;
- the early repayment of the €100 million term loan contracted July 31, 2014 from a banking pool;
- repayment of the €500 million drawdown on the revolving credit facility for the same amount, maturing on July 31, 2019. This credit line remains open until maturity but is unused;
- Issuance of commercial paper for €260 million.

Revenue for the year ended December 31, 2015 was €832.1 million, broken down as follows:

Revenue by geographic area	2015	2014
France	135.8	133.2
Australia, China and Southeast Asia	103.7	88.3
Western and Central Europe	282.8	225.9
The Americas	242.3	173.9
Middle East	35.9	27.9
Africa	31.6	27.4
TOTAL	**832.1**	**676.6**

Net financial income totaled €164.1 million in 2015, versus €86.1 million in 2014. It includes the following items:

	2015	2014
Interest expense	(15.7)	(15.7)
Interest income	3.7	5.3
Income from portfolio investments	1.3	3.0
Provisions/Reversals on equity and receivables	(6.2)	25.7
Dividends and interest received from subsidiaries	185.4	65.3
Foreign exchange gains/losses	(4.4)	0.7
Gains/losses on disposals of short-term investments	0.1	0.5
Gains/losses on equity interests and loans and advances to subsidiaries and associates	-	1.3
Other	(0.1)	-
TOTAL	**164.1**	**86.1**

Non-recurring profit/(loss) for the year came to €73.4 million, broken down as follows:

	2015	2014
Gains on disposal of assets	72.5	(0.8)
Litigation and quality expenses	(2.2)	(0.5)
Restructuring costs	–	–
Acquisition expenses	–	–
Moving expenses	–	–
Debt write-offs/Better fortunes	–	–
Other	0.6	-
Tax-accelerated depreciation and amortization	2.5	0.4
TOTAL	**73.4**	**(0.9)**

Employee profit-sharing costs totaled €4.4 million.

Income tax totaled -€88.1 million, after a €3.0 million Business Research Tax Credit, a €0.3 million Competitiveness and Employment Tax Credit, and the Company's -€0.9 million contribution on dividends.

As a result, the parent company recorded a net profit of €369,939,066.92 for the year.

Non-tax-deductible expenses totaled €106,585 and were related to excess depreciation of passenger vehicles on long-term leases.

Shareholders' equity rose from €1,021 million in 2014 to €1,479.1 million in 2015. This €458.1 million increase in shareholders' equity was driven by the Company's €369.9 million net profit for the year.

In addition, a dividend of €60 million (not including treasury shares) was distributed during the first half of 2015, comprising €30 million in cash and €30 million in Ingenico Group shares.

Information on supplier invoice payment periods (Article L.441-6-1 of the French Commercial Code)

As of December 31, 2015, amounts outstanding to suppliers totaled €130,116,290, including €33,037,513 in invoices not yet received. The balance, excluding invoices not yet received, consisted of:

- 23% due on invoices payable within 30 days of the invoice date;
- 2% on invoices payable in 30 to 60 days;
- 1% on invoices payable in more than 60 days;
- 74% on invoices due but not yet payable.

5 CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2015

5.1 Consolidated income statements

For the years ended December 31, 2015 and 2014

(in thousands of euros)	Notes	2015	2014
Revenue	4	**2,197,283**	**1,607,339**
Cost of sales	5.a.	(1,237,014)	(877,396)
Gross profit		**960,269**	**729,943**
Distribution and marketing costs		(202,576)	(157,408)
Research and development expenses		(156,698)	(114,640)
Administrative expenses		(212,453)	(166,408)
Profit from ordinary activities		**388,542**	**291,487**
Other operating income	5.b.	1,371	567
Other operating expenses	5.b.	(9,131)	(18,784)
Profit from operating activities		**380,782**	**273,270**
Finance costs	9.a.	(102,700)	(67,967)
Finance income	9.a.	84,091	48,430
Net finance costs		**(18,609)**	**(19,537)**
Share of profits in equity-accounted investees	11.a.	(2,626)	(1,379)
Profit before income tax		**359,547**	**252,354**
Income tax expense	10	(124,846)	(80,671)
Net profit		**234,701**	**171,683**
Attributable to:			
• Ingenico Group SA shareholders		230,315	171,652
• non-controlling interests		4,386	31
Earnings per share *(in euros)*	12.b.		
Net earnings			
• **basic earnings per share**		**3.81**	**3.16**
• **diluted earnings per share**		**3.76**	**2.94**

5.2 Consolidated statements of comprehensive income

For the years ended December 31, 2015 and 2014

(in thousands of euros)	Notes	2015	2014
Profit for the period attributable to Ingenico Group SA shareholders		**230,315**	**171,652**
Translation differences		23,572	35,165
Gains or losses of derivative hedging instruments (1)	9.c.	(393)	2,910
Gains or losses of available-for-sale financial assets		7,697	-
Actuarial gains/(losses) on defined benefit plans	6.c.	1,002	(6,518)
Income tax on gains/(losses) accounted in other comprehensive income		(3,617)	643
TOTAL GAINS/LOSSES ACCOUNTED IN OTHER COMPREHENSIVE INCOME AND ATTRIBUTABLE TO INGENICO GROUP SA SHAREHOLDERS (2)		**28,261**	**32,200**
Profit for the period and other comprehensive income attributable to Ingenico Group SA shareholders		258,576	203,852
Total comprehensive income attributable to non-controlling interests		4,386	31
Translation differences attributable to non-controlling interests		(988)	208
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**261,974**	**204,091**

(in thousands of euros)	Notes	2015	2014
Income tax on translation adjustments		(1,157)	(11)
Income tax on change in value of financial assets available for sale		(2,223)	-
Income tax on gains or losses on hedging instruments		136	(1,002)
Income tax on actuarial gains and losses on defined benefit plans		(373)	1,656
TAXES ON GAINS/LOSSES ACCOUNTED IN OTHER COMPREHENSIVE INCOME		**(3,617)**	**643**

2015:

(1) The portion of the gains or losses on interest rate swaps on bank loans and on foreign exchange forward contracts used to hedge cash flows that is determined to be an effective hedge is recognized directly in "other comprehensive income".

(2) All items recognized in "other comprehensive income", except for actuarial gains or losses, will subsequently be recycled to the consolidated income statement.

2014:

(1) The portion of the gains or losses on interest rate swaps on bank loans and on foreign exchange forward contracts used to hedge cash flows that is determined to be an effective hedge is recognized directly in "other comprehensive income".

(2) All items recognized in "other comprehensive income", except for actuarial gains or losses, will subsequently be recycled to the consolidated income statement.

5.3 Consolidated statements of financial position

For the years ended December 31, 2015 and 2014

Assets

(in thousands of euros)	Notes	2015	2014
Goodwill	7.a.	1,350,519	1,342,759
Other intangible assets	7.b.	508,524	544,553
Property, plant and equipment	7.c.	55,857	51,711
Investments in equity-accounted investees	11.a.	12,293	13,927
Financial assets		11,250	6,938
Deferred tax assets	10.c.	48,880	40,812
Other non-current assets	5.f.	31,316	27,616
TOTAL NON-CURRENT ASSETS		**2,018,639**	**2,028,316**
Inventories	5.d.	143,625	118,131
Trade and related receivables	5.e.	461,435	426,473
Receivables related to intermediation activities	5.j.	10,308	1,943
Other current assets	5.f.	32,475	35,155
Current tax assets	5.f.	7,441	9,319
Derivative financial instruments	9.c.	10,487	10,933
Funds related to intermediation activities	5.j.	256,159	308,225
Cash and cash equivalents	9.b.	919,882	426,393
TOTAL CURRENT ASSETS		**1,841,812**	**1,336,572**
TOTAL ASSETS		**3,860,451**	**3,364,888**

Equity and liabilities

(in thousands of euros)	Notes	2015	2014
Share capital		60,991	57,437
Share premium account		722,397	575,227
Other reserves		681,931	416,971
Translation differences		40,677	24,204
Equity for the period attributable to Ingenico Group SA shareholders	12.a.	**1,505,996**	**1,073,839**
Non-controlling interests		**4,858**	**2,100**
TOTAL EQUITY		**1,510,854**	**1,075,939**
Non-current borrowings and long-term debt	9.b.	885,016	1,036,124
Provisions for retirement and benefit obligations	6.c.	17,024	18,104
Other long-term provisions	8	20,573	24,986
Deferred tax liabilities	10.c.	142,484	118,938
Other non-current liabilities	5.h.	97,691	36,084
TOTAL NON-CURRENT LIABILITIES		**1,162,788**	**1,234,236**
Short-term loans and borrowings	9.b.	286,922	154,460
Other short-term provisions	8	31,190	18,251
Trade and related payables	5.g.	438,579	413,498
Payables related to intermediation activities	5.j.	266,467	310,168
Other current liabilities	5.i.	134,560	126,214
Current tax liabilities	10.d.	27,605	28,521
Derivative financial instruments	9.c.	1,486	3,601
TOTAL CURRENT LIABILITIES		**1,186,809**	**1,054,713**
TOTAL LIABILITIES		**2,349,597**	**2,288,949**
TOTAL EQUITY AND LIABILITIES		**3,860,451**	**3,364,888**

5.4 Consolidated cash flow statements

For the years ended December 31, 2015 and 2014

(in thousands of euros)	Notes	2015	2014
Profit for the period		234,701	171,683
Adjustments for:			
• Share of profit of equity-accounted investees		2,626	1,379
• Income tax expense/(income)		124,846	80,671
• Depreciation, amortization and provisions		105,874	78,813
• Change in fair value		3,063	4,425
• Gains/(losses) on disposal of assets		1,729	525
• Net interest costs/(revenue)		12,910	15,419
Share-based payment expense [(1)]		17,557	10,463
Interest paid		(14,972)	(16,044)
Income tax paid		(137,475)	(92,527)
Cash flows from operating activities before change in net working capital		**350,859**	**254,807**
Inventories		(24,212)	(9,915)
Trade and other receivables		(32,833)	(27,583)
Trade payables and other payables		43,075	77,419
Change in net working capital	5.c.	**(13,970)**	**39,921**
NET CASH FLOWS FROM OPERATING ACTIVITIES		**336,889**	**294,728**
Acquisition of non-current assets		(62,397)	(51,714)
Proceeds from sale of tangible and intangible fixed assets		683	626
Acquisition of subsidiaries, net of cash acquired	3	(3,711)	(799,991)
Disposal of subsidiaries, net of cash disposed of	3	-	5,644
Loans and advances granted and other financial assets		(4,593)	(1,120)
Loan repayments received		1,308	3,469
Interest received		9,457	10,154
CASH FLOWS FROM FINANCING ACTIVITIES		**(59,253)**	**(832,932)**

(1) Share-based payment expense of €17.6 million, including €8.2 million paid in equity instruments and €9.4 million paid in cash.

(in thousands of euros)	Notes	2015	2014
Proceeds from share capital issues		2,039	101
Purchase/(sale) of treasury shares		151	517
Proceeds from loans and borrowings	9.b.	755,509	1,041,350
Repayment of loans and borrowings	9.b.	(600,689)	(386,486)
Change in the Group's ownership interests in controlled entities	3	94,393	(14,797)
Changes in other financial liabilities		(498)	(5,416)
Changes in the fair value of hedging instruments		(390)	-
Dividends paid to shareholders		(29,858)	(19,796)
Tax on financing activities		(8,260)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		**212,397**	**615,473**
Effect of exchange rates fluctuations		(1,917)	5,401
CHANGE IN CASH AND CASH EQUIVALENTS		**488,116**	**82,670**
Cash and cash equivalents at beginning of the year		411,786	329,116
Cash and cash equivalents at year end [1]		899,902	411,786

	2015	2014
(1) Cash and cash equivalents		
Short-term investments and short-term deposits (only for the portion classed as cash and cash equivalents)	*295,081*	*67,075*
Cash and cash equivalents	*624,801*	*359,318*
Bank overdrafts (included in short-term borrowings)	*(19,980)*	*(14,607)*
Total cash, cash equivalents and short-term investments	***899,902***	***411,786***

Funds collected in connection with intermediation activities are not included in the cash flow statement (see Note 5.j.).

Total income tax paid is €145.7 million.

5.5 Consolidated statements of changes in equity

For the years ended December 31, 2015 and 2014

(in thousands of euros)	Share capital	Share premium account	Translation reserve	Effective portion of hedging instru-ments	Treasury shares	Retained earnings and other reserves	Total equity attribu-table to Ingenico SA Group sha-reholders	Non-controlling interests	Total equity
Balance at January 1, 2014	**53,086**	**425,783**	**(10,947)**	**(2,009)**	**(7,167)**	**306,732**	**765,478**	**1,216**	**766,694**
Profit for the period						171,652	171,652	31	171,683
Other comprehensive income			35,165	1,908		(4,873)	32,200	208	32,408
Total comprehensive income for the period			**35,165**	**1,908**		**166,779**	**203,852**	**239**	**204,091**
Dividends paid to shareholders (1)						(19,538)	(19,538)	(183)	(19,721)
Stock dividends paid to shareholders: payment of dividend in shares (2)	398	22,289				(22,687)	-		-
Treasury shares (3)						339	339		339
Share-based payments and exercise of stock options (4)	398	(398)				4,432	4,432	111	4,543
Revaluation of put *options* (5)						(6,586)	(6,586)	714	(5,872)
Dilutions						(6)	(6)	3	(3)
OCEANE bond conversions (6)	3,555	127,553				(5,491)	125,617		125,617
Other			(14)			265	251		251
Balance at December 31, 2014	**57,437**	**575,227**	**24,204**	**(101)**	**(7,167)**	**424,239**	**1,073,839**	**2,100**	**1,075,939**
Profit for the period 2015						230,315	230,315	4,386	234,701
Other comprehensive income			23,572	(257)		4,946	28,261	(988)	27,273
Total comprehensive income for the period			**23,572**	**(257)**		**235,261**	**258,576**	**3,398**	**261,974**
Dividends paid to shareholders (1)						(29,283)	(29,283)	(589)	(29,872)
Stock dividends paid to shareholders (2)	314	29,727				(30,041)	-		-
Treasury shares (3)					133	12	145		145
Share-based payments and exercise of stock options (4)	24	2,011				8,219	10,254		10,254
Remeasurement effect of put *options* (5)						(3,627)	(3,627)		(3,627)
Dilutions (6)			(7,099)			41,157	34,058	(51)	34,007
OCEANE bond conversions (7)	3,216	115,432				(4,432)	114,216		114,216
OCEANE bond issue (8)						48,143	48,143		48,143
Other						(325)	(325)		(325)
BALANCE AT DECEMBER 31, 2015	**60,991**	**722,397**	**40,677**	**(358)**	**(7,034)**	**689,323**	**1,505,996**	**4,858**	**1,510,854**

2015:

(1) Cash dividend of €1.0 per share paid on 10 June 2015.

(2) Stock dividends financed through incorporation of retained earnings into share capital and issuance of 313,580 new shares.

(3) As of December 31, 2015, the Company held 276,294 treasury shares bought back by virtue of authorizations granted at Shareholders' Meetings.

(4) Share-based payments:

- *the increase in retained earnings and other reserves reflects fair value adjustments to free share awards recognized each year in "Profit from operating activities";*
- *the increase in share capital and reduction in issue and contribution premiums reflects the issuance of new shares to meet obligations to beneficiaries of free share award plans that expired in 2015.*

(5) Revaluation of the put option held by Fosun, as described in Note 3 "Highlights of the period".

(6) Including the transfer of 20% of the Group's Chinese companies to FOSUN, described in Note 3 "Highlights of the period".

(7) Conversion of 3,169,040 Ingenico 2011/2017 OCEANE bonds to 3,216,566 shares.

(8) Issue of Ingenico 2015/2022 OCEANE described in Note 9.b. "Net Debt" (Equity component of the debt is €73.3 million, deferred tax liability is €25.2 million).

2014:

(1) Cash dividend of €0.80 per share paid out on June 11, 2014.

(2) Stock dividends financed through incorporation of retained earnings into share capital and issuance of 398,304 new shares.

(3) At December 31, 2014, the Company held 280,794 treasury shares bought back by virtue of authorisations granted at Shareholders' Meetings.

(4) Share-based payments:

- *the increase in retained earnings and other reserves reflects fair value adjustments to free share awards recognized each year in "Profit from operating activities";*
- *the increase in share capital and reduction in issue and contribution premiums reflects the issuance of new shares to meet obligations to beneficiaries of free share award plans that expired in 2014.*

(5) Remeasurement of put options on Roam Data Inc. and Ingenico Holdings Asia Ltd N.B.: This latest put option was for the remaining 1.16% non-controlling interests in Ingenico Holdings Asia Ltd.

(6) Conversion of 3,501,821 Ingenico 2011/2017 OCEANE bonds to 3,554,336 shares.

5.6 Notes to the consolidated financial statements

Index for the Notes to the Consolidated Financial Statements

NOTE 1 The Group

These consolidated financial statements present the operations and financial position of Ingenico group SA (hereinafter referred to as “the Company”) and its subsidiaries, as well as the Group’s share of the profit or loss of jointly controlled entities and entities over which the Group has significant influence (together referred to as “the Group”).

Ingenico Group is a global leader in seamless payment services, and offers payment solutions across all channels (in-store, mobile, online and cross-channel). Its offering is built around three brands: Ingenico Smart Terminals, Ingenico Payment Services, and Ingenico Mobile Solutions.

Ingenico Group SA is a company incorporated under French law, with its head office in Paris, whose securities were admitted for trading on the Paris Stock Exchange in 1985.

The consolidated financial statements were approved by the Board of Directors on February 18, 2016. They will be submitted for approval to the shareholders at their Annual General Shareholders’ Meeting of April 29, 2016.

NOTE 2 Accounting principles and methods

The consolidated financial statements for fiscal year 2015 were prepared in accordance with IFRS (International Financial Reporting Standards) as published by the IASB (International Accounting Standards Board) and as adopted by the European Union on December 31, 2015. These standards are available on the European Commission's website:

http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

The new standards in effect as of January 1, 2015 and which concern the Group are as follows:

- IFRIC 21 – Taxes Levies;
- annual Improvements 2011-2013.

The adoption of these standards did not result in material changes to the accounting methods of subsidiaries and associates.

In preparing these consolidated financial statements, the Group did not apply in advance any standards, amendments or interpretations that have been adopted by the IASB or the IFRIC (International Financial Reporting Interpretations Committee) and the European Union as of December 31, 2015, but which are not yet mandatory. These concern:

- amendments to IAS 19, Employee Contributions to Defined Benefit Plans;
- annual Improvements 2010-2012;
- amendments to IAS 1 - Disclosure Initiative;
- amendments to IFRS 11 - Acquisition of an interest in a joint operation.

In addition, the Group started an analysis of IFRS 15, which will be mandatory beginning January 1, 2018.

Basis of preparation

The consolidated financial statements are presented in euros, the Group's functional currency. Unless otherwise indicated, all amounts are rounded to the nearest thousand euros.

The financial statements were prepared on a historical cost basis, except for the following assets and liabilities, stated at fair value: derivative financial instruments, available for sale financial assets, cash and cash equivalents, and bank overdrafts. Assets and liabilities related to a business combination are measured at fair value at the acquisition date, with the fair value constituting the historical cost in the Group financial statements.

The preparation of these financial statements requires Group management to make assumptions and estimates affecting the application of the accounting methods, and the reported amounts of assets, liabilities, income and expenses. These estimates involve, mainly:

- asset impairment tests (Note 7);
- put option debt (Note 5);
- available for sale financial assets (Note 5);
- the methods and assumptions used in identifying intangible assets acquired as part of business combinations;
- the expenses related to share-based payments (Note 6);
- the determination of the useful lives of intangible assets (Note 7);
- the estimation of provisions, especially for litigation (Note 8);
- assets and liabilities arising from finance lease contracts (Note 5);
- the assumptions used in recognising deferred income tax assets (Note 10);
- in respect of revenue recognition, the allocation of revenue in proportion to the value of specific components of a multiple-element agreement (Note 5); and
- revenue presentation as gross or net in respect of service activities (Note 5).

Actual results may differ from these estimates under different assumptions or conditions.

The accounting methods set forth below were consistently applied to all the reporting periods presented in the consolidated financial statements.

These accounting methods were uniformly applied by all Group entities.

Translation of transactions denominated in foreign currencies

Revenues and expenses denominated in foreign currency are translated at the euro equivalent on the date of transaction.

Monetary assets and liabilities denominated in foreign currency are translated using the exchange rate in effect on the reporting date. Non-monetary assets and liabilities denominated in foreign currency that are measured in terms of historical cost are translated using the exchange rate in effect at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated using the exchange rate in effect at the date when the fair value was determined. Any resulting unrealized exchange gains or losses are reported in profit or loss for the period.

Translation differences arising on ordinary operating activities that are denominated in foreign currency are now recognized in "Profit from ordinary activities". These ordinary operating activities are related to working capital items, as are the related hedging instruments.

Apart from such translation differences on ordinary operating activities, all other translation differences are recognized in "Net finance costs".

Translation of financial statements denominated in foreign currencies

The consolidated financial statements are presented in euros.

Assets and liabilities of foreign subsidiaries whose functional currency differs from the Group's presentation currency are translated into euros at the exchange rate in effect on the reporting date, except for shareholders' equity, which is stated at historical value. Income and expenses of foreign operations are translated into euros at the average rates for the period, except in cases of major fluctuations. Exchange differences resulting from conversions are recognized in other comprehensive income and accumulated in the reserves.

NOTE 3 Highlights of the period

Sale of 20% of the Group's share capital in its Chinese activities

Description of the transaction

On May 7, 2015, the Group reached an agreement with Fosun (Fosun International Limited and affiliates), a premium Chinese investment group, to step up its growth strategy in China. The agreement gives Fosun a 20% interest in Ingenico Holdings Asia Limited, the Group's holding company for its entities in China.

The transfer of interest was effective as of May 29, 2015.

Transaction price

The final transaction price was set at USD 104.6 million.

Put option owned by Fosun

Fosun owns a put option on the shares it purchased on May 7, 2015, which it May exercise at any time from May 7, 2020 up until June 30, 2021. The minimum strike price, at fair value, is USD 104.6 million, which was the transaction price set in 2015.

Impact of the transaction on the Group's consolidated financial statements

This sale of a non-controlling interest does not entail a loss of control over these Chinese entities, which are still fully consolidated in the Group's financial statements. The transaction has mainly two effects in accounting terms:

- a liability equal to the present value of the minimum strike price, *i.e.*, €53.5 million, has been recognised for the put option;
- a €34.1 million gain on disposal, net of the put liability, has been recognised directly in equity attributable to Ingenico Group SA shareholders.

As of December 31, 2015, after undiscounting, the put of liability is €58.7 million in the balance sheet of the Group.

Redemption/conversion of OCEANE bonds issued in March 2011

On December 15, 2014, the Group announced its exercise of the early redemption option on January 15, 2015 on all of its bonds convertible into and/or exchangeable for new or existing shares (OCEANE) issued in March 2011 that were outstanding as of January 7, 2015. OCEANE bondholders had the option until January 6, 2015, to exercise their share option rights at a conversion rate of 1.015 Ingenico shares per OCEANE bond. For bondholders who had not exercised their share option rights, the early redemption was transacted at face value plus accrued coupon, or €37.48 per OCEANE bond.

The bondholders who converted their bonds prior to December 31, 2014, did not receive coupon payments for the year, however the shares they received upon conversion entitled them to dividends paid in 2015 for 2014. Those who converted their bonds after January 1, 2015 did receive coupon payments for 2014, but the shares they received upon conversion did not entitle them to the dividends paid in 2015.

The right to conversion into Ingenico Group SA shares was exercised for 3,169,040 of the 3,175,529 OCEANE bonds outstanding as of December 31, 2014, resulting in the issuance of 3,216,566 shares. The 6,489 bonds that were not tendered for conversion were redeemed in cash for a total amount of €0.2 million.

Consequently, the Group's liability for these convertible bonds, which was €111.6 million as of December 31, 2014, no longer existed as of December 31, 2015.

New convertible bond issue

On June 26, 2015, the Group issued a new OCEANE bond, *i.e.* convertible into and/or exchangeable for new or existing Ingenico shares, maturing on June 26, 2022. The total principal amount of the issue is €500 million, or 2,904,443 bonds with a face value of €172.15 each. The bonds do not pay a coupon.

The accounting treatment for the new issue is described in Note 9.b. "Net debt".

Organisational structure of the Group

After acquiring GlobalCollect in 2014, which enabled the Group to accelerate the worldwide implementation of its multi-channel strategy, the Group made the following changes to its organizational structure:

- the entities that came out of the GlobalCollect and Ingenico e-Commerce Solutions, previously Ogone, acquisitions now form the ePayments operating segment;
- the SEPA and EMEA operating segments have been partially merged to form the new Europe & Africa segment;
- Turkey, which was previously included in EMEA, is now part of the APAC & Middle East segment;
- Roam Data, a subsidiary previously included in Central Operations, is now part of the North America operating segment.

Those changes are reflected in Note 4 “Segment reporting”, and Note 7.a. “Goodwill”.

NOTE 4 Segment reporting

Segments are profit centres whose performance can be fully measured.

The information presented below is based on the management reporting used by the Executive Committee, which is the main operating decision-maker as defined by IFRS 8.

During the first half of 2015, the Group reorganised its operating segments, as described in Note 3 “Highlights of the period”.

As of January 1, 2015, the Group’s reportable segments are therefore as follows:

- Central Operations, a division that brings together the distribution of products and services to the Regions identified below;
- Europe & Africa (including France, United Kingdom, Spain, Germany, Benelux, Russia, Italy and Africa);
- APAC & the Middle East (Turkey, Australia, China, Indonesia, India, etc.);
- North America (United States, including Roam Data and Canada);
- Latin America (Brazil, Mexico, etc.);
- ePayments (subsidiaries from e-Commerce Solutions, formerly Ogone, and GlobalCollect acquisition).

Business activities are grouped geographically based on where those activities are carried out.

The segment information presented for fiscal year 2014 was restated to reflect this new structure.

Breakdown of revenue by business and segment and segment results

	2015						
(in thousands of euros)	Europe & Africa	Asia-Pacific	North America	Latin America	ePayments	Central Operations	Consolidated
External revenue	**764,656**	**437,007**	**319,194**	**228,581**	**448,400**	**(555)**	**2,197,283**
Terminals							1,532,270
Transactions							665,013
Profit from ordinary activities	**58,682**	**65,751**	**29,086**	**9,323**	**38,126**	**187,574**	**388,542**

	2014						
(in thousands of euros)	Europe & Africa	Asia-Pacific	North America	Latin America	ePayments	Central Operations	Consolidated
External revenue	**728,959**	**326,402**	**190,055**	**204,481**	**158,066**	**(624)**	**1,607,339**
Terminals							1,258,719
Transactions							348,620
Profit from ordinary activities	**63,493**	**59,166**	**7,408**	**(4,057)**	**25,694**	**139,783**	**291,487**

Breakdown of depreciation and amortization expense and expenses with no impact on cash flow

	2015						
(in thousands of euros)	Europe & Africa	Asia-Pacific	North America	Latin America	ePayments	Central Operations	Consolidated
Depreciation and amortization expenses	30,158	3,911	2,926	1,536	39,451	12,948	90,930
Additions to provisions, net of reversals and share-based payments	759	6,028	5,120	2,697	2,837	15,060	32,501

	2014						
(in thousands of euros)	Europe & Africa	Asia-Pacific	North America	Latin America	ePayments	Central Operations	Consolidated
Depreciation and amortization expenses	32,552	3,433	2,126	1,417	16,966	15,157	71,651
Additions to provisions, net of reversals and share-based payments	69	4,040	1,050	2,340	2,792	7,334	17,625

Breakdown of acquisition costs for property, plant and equipment and for intangible assets

	2015						
(in thousands of euros)	Europe & Africa	Asia-Pacific	North America	Latin America	ePayments	Central Operations	Consolidated
Cost of acquisitions of intangible assets and property, plant and equipment	(15,185)	(2,087)	(4,861)	(1,858)	(18,066)	(20,340)	(62,397)

	2014						
(in thousands of euros)	Europe & Africa	Asia-Pacific	North America	Latin America	ePayments	Central Operations	Consolidated
Cost of acquisitions of intangible assets and property, plant and equipment	(10,153)	(2,031)	(3,247)	(2,265)	(9,221)	(24,797)	(51,714)

NOTE 5 Income operational information

Sale of goods and services

The Group earns most of its revenue from the sale of payment terminals and the rendering of services related to payment terminals or to the processing of payment transactions carried out through a variety of methods.

No revenue is recognized if there is significant uncertainty regarding (i) the recoverability of the consideration due, (ii) the costs associated with the service that have been incurred or are to be incurred, or (iii) the possible return of goods when the customer has the right to cancel the purchase, or when the Group has continuing management involvement with the goods.

Revenue is recognized according to the type of transaction involved.

Sale of goods

How sales are recorded depends on the nature of the contract.

Firm sales

Independent of the Group's customer (retailer or end customer), revenue from the sale of terminals is recognized in profit or loss when the significant risks and rewards of ownership of the goods have been transferred to the buyer. The Group operates in international markets and sales are predominantly made ex-works (EXW - Incoterms). Revenue is therefore recognized at the factory gate. When other Incoterms are used, the Group recognizes revenue when the risks inherent in the sale have been transferred to the buyer.

Leasing

Terminals are available for lease in some markets. In most of these cases, these contracts are classified as finance leases under IAS 17. All revenue is thus recognized at the start of the lease. Sales are recognized when the risks and rewards of ownership of the goods have been transferred; that revenue is equal to the fair value of the leased asset or, if lower, to the present value of the lease payments accruing to the lessor. The lease term is generally the lifetime of the terminal. Finance income is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability owed by the customer.

Revenue from operating leases is recognized as income on a straight-line basis over the lease term.

Rendering of services

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the service at the reporting date, which is based on the work performed. When services are performed by an indeterminate number of acts, revenue is recognized on a straight-line basis over the specified period.

Hardware maintenance and servicing

Revenue arising on terminal service contracts is allocated over the life of the contract on a pro rata basis in the case of equipment maintenance contracts that the customer entered into when purchasing the terminals. Otherwise, revenue is recognized as soon as the services are rendered (when the terminals are installed, for example).

Transactions

Revenue arising on service contracts related to payment transactions is recognized as the services are performed. It usually varies with transaction volume and/or amounts.

For certain services, the Group determines whether it is acting as principal or as agent, using the criteria of IAS 18, such as the responsibility for the rendering of the service, inventory risk, price-setting, and credit risk. The analysis is mainly made on the basis of a review of the sale or purchase contracts. When it is determined that the Group acts as agent in respect of the provision of services, the revenue recognized is restricted to the net margin on the provision of the services. When it is determined that the Group acts as principal, revenue is recognized on a gross basis.

Multiple-element arrangements

Revenue arising on multiple-element arrangements, *i.e.* including the simultaneous sale of goods, services and a license agreement, is broken down by residual value among the individual components based on their fair value.

a. Costs and expenses by nature

Because the Group presents its profit or loss by function, this note shows the main operating costs and expenses by nature.

Depreciation and amortization expense and impairment break down as follows:

(in thousands of euros)	2015	2014
Provisions/(reversals)		
Amortization and impairment for intangible assets	66,968	53,322
Amortization and impairment for property, plant and equipment	23,960	18,267
Impairment of inventories	(2,266)	2,050
Impairment of trade receivables	4,994	8,549
TOTAL	**93,656**	**82,188**

The acquisition of GlobalCollect in 2014 is the main reason for the increase in amortization expenses on intangible assets. With the acquisition having taken place in September 2014, the results for the period included just three months of amortization expenses related to the intangible assets identified during the allocation of the purchase price.

Provisions for inventory only concern inventory that is actually held and recognized. The Group has commitments to its suppliers (EMS) on firm price orders of parts or terminals, but these orders do not constitute inventory. However, when there is a risk of unsold parts or inventory ordered from suppliers, the Group recognizes a provision for risk, described in Note 8 "Other provisions." Upon recognition of the purchase of inventory from EMS, this provision for risk (liability) becomes a provision for inventory (asset) on the balance sheet.

Cost of sales breaks down as follows:

(in thousands of euros)	2015	2014
Cost of terminals	(804,987)	(667,578)
Cost of services and software	(432,027)	(209,818)
TOTAL COST OF SALES	**(1,237,014)**	**(877,396)**

The capitalized portion of development costs is as follows:

(in thousands of euros)	2015	2014
Amount of development capitalized	12,792	14,877
Total R&D expenditure (costs and investment)*	169,490	129,517
SHARE OF CAPITALIZED R&D EXPENDITURE *(as a %)*	**8%**	**11%**

* *Net of a €3.3 million French research tax credit and €12.5 million in tax credits of a similar nature received outside of France having an equivalent impact on research and development expenses (respectively €3.7 million and €9.9 million in 2014).*

The Group's R&D expenses mainly concern the following projects:

- at the head office (Central Operations region), development projects for new terminals and operating systems, as well as upgrading projects on already sold terminals;
- also at Central Operations region, service projects related to payments, such as Axis. These are mainly software development expenses;
- at terminal distributor subsidiaries, R&D projects are in place to develop applications installed on the terminals, in accordance with local standards and regulations;
- at subsidiaries selling payment services (typically the ePayments region), R&D projects are generally aimed at improving the computer systems for transaction services.

In accordance with IAS 38, R&D expenses may only be capitalized for the development of new terminals. This is considered new product development, and not for upgrades, maintenance or adjustments of existing products or software.

b. Other income & expenses

Other operating income and expenses include non-recurring income or expenses, such as gains or losses on disposal of consolidated subsidiaries or businesses, gains or losses on the disposal of property, plant and equipment and intangible assets, restructuring charges approved by management and publicly announced, litigation expenses, transaction costs of business combinations, goodwill and other asset impairment losses, the cost of integrating newly acquired subsidiaries, adjustments to earn-out liabilities related to those acquisitions and the remeasurement to fair value of a prior investment in an entity when the Group acquires control, *i.e.*, a business combination implemented through a step acquisition.

Other operating income and expenses are as follows:

(in thousands of euros)	2015	2014
Restructuring and business combination costs	(6,910)	(13,596)
Disputes	-	(2,000)
Revaluation of earn-out payables	(46)	(2,057)
Other	(804)	(564)
TOTAL	**(7,760)**	**(18,217)**

In 2015, other operating income and expenses mainly comprise the following:

- costs of €6.9 million incurred in connection with the reorganization of the Group, of which:
  - a cost of €3.9 million incurred in connection with the reorganization of the Group,
  - costs of €3.0 million incurred in connection with acquisitions and divestitures;
- costs of €0.6 million for the scrapping of assets following a fire at a repair center in Italy.

In 2014, other operating income and expenses mainly comprised the following:

- restructuring costs of €13.6 million, including the following significant expenses:
  - a cost of €5.1 million incurred in connection with the reorganization of the Group,
  - aCosts of €8.5 million incurred in connection with acquisitions and divestitures;
- an expense of €2.1 million for the revalued earn-out liability on the acquisition of Ingenico Payment Systems LLC;
- other costs amounting to €2.6 million.

c. Reconciliation between the balance sheet and changes in working capital

Balance sheet		Jan. 1	Net Change in working capital	Change in cash flows of non-working capital items	Changes in consolidation scope	Translation differences and other movements	Dec. 31
		2015					
Inventories	**(1)**	**118,131**	**24,212**	**-**	**-**	**1,282**	**143,625**
Trade and related receivables		426,473	27,887	-	-	7,075	461,435
Other non-current assets		27,616	2,003	1,902	-	(205)	31,316
Other current assets		35,155	2,943	(604)	-	(5,019)	32,475
Trade and other receivables	**(2)**	**489,244**	**32,833**	**1,298**	**-**	**1,851**	**525,226**
Trade and related payables		413,499	36,538	3,927	-	(15,385)	438,579
Other non-current liabilities		36,084	4,910	5,859	53,993	(3,155)	97,691
Other current liabilities		126,214	1,627	(3,708)	-	10,427	134,560
Trade and other creditors	**(3)**	**575,797**	**43,075**	**6,078**	**53,993**	**(8,113)**	**670,830**
Change in net working capital	**-(1)-(2)+(3)**		**(13,970)**				

Balance sheet		Jan. 1	Net Change in working capital	Change in cash flows of non-working capital items	Changes in consolidation scope	Translation differences and other movements	Dec. 31
		2014					
Inventories	**(1)**	**101,983**	**9,915**	**-**	**-**	**6,233**	**118,131**
Trade and related receivables		348,510	28,259	-	34,819	14,885	426,473
Other non-current assets		24,650	1,804	862	158	142	27,616
Other current assets		30,240	(2,480)	(5,890)	22,471	(9,186)	35,155
Trade and other receivables	**(2)**	**403,400**	**27,583**	**(5,028)**	**57,448**	**5,841**	**489,244**
Trade and related payables		327,859	42,930	(2,462)	41,574	3,598	413,499
Other non-current liabilities		24,568	3,657	-	158	7,701	36,084
Other current liabilities		110,511	30,832	(13,418)	59	(1,770)	126,214
Trade and other creditors	**(3)**	**462,938**	**77,419**	**(15,880)**	**41,791**	**9,529**	**575,797**
Change in net working capital	**-(1)-(2)+(3)**		**39,921**				

d. Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories is determined using the weighted average cost method and includes the costs incurred to acquire the inventories and bring them to their existing location and condition. A provision is recorded if the carrying amount exceeds the net realizable value.

(in thousands of euros)	2015	2014
Raw materials and consumables	34,442	31,927
Finished products	128,866	107,952
Write-downs on raw materials and consumables	(10,515)	(11,033)
Impairments on finished products	(9,168)	(10,715)
CARRYING AMOUNT	**143,625**	**118,131**

The increase in the Group's inventories is consistent with the growth in its business.

e. Trade and related receivables

Trade and related receivables are recognized initially at fair value and subsequently measured at amortized cost less any impairment losses. In general, the fair value corresponds to the face value, given the quick payment terms, except in the case of finance leases. A provision for impairment is recognized when there is objective evidence that the Group will not be able to collect all amounts due according to the contractual terms of the receivable.

Trade and related receivables break down as follows:

(in thousands of euros)	2015	2014
Trade receivables on the sales of goods and services	438,688	414,520
Finance lease receivables	25,196	22,749
Tax receivables other than current income tax	26,792	14,388
Other receivables	13,514	12,769
Write-downs for bad debt	(34,341)	(29,578)
Write-downs for finance lease receivables	(1,238)	(1,520)
Write-downs for other receivables	(7,176)	(6,855)
TOTAL	**461,435**	**426,473**

The aging schedule of trade receivables is as follows:

			2015		
			Overdue		
(in thousands of euros)	Closing price	Not due	<120 days	120-180 days	>180 days
Trade receivables	438,688	328,314	88,950	6,142	15,282
Impairment for trade receivables and related accounts	(34,341)	(702)	(20,045)	(1,387)	(12,207)
NET	**404,347**	**327,612**	**68,905**	**4,755**	**3,075**

Receivables more than 180 days overdue without write-downs (amounting to €3.6 million) are primarily attributable to clients of Fujian Landi (€3.0 million). None of these receivables are contentious, and the Group does not expect any difficulty in recovering the amounts due.

			2014		
			Overdue		
(in thousands of euros)	Closing price	Not due	<120 days	120-180 days	>180 days
Trade receivables	414,520	322,278	75,901	5,236	11,105
Impairment for trade receivables and related accounts	(29,578)	(525)	(18,602)	(2,180)	(8,271)
NET	**384,942**	**321,753**	**57,299**	**3,056**	**2,834**

f. Other current and non-current assets

As of December 31, 2015 and 2014, Other current assets were as follows:

(in thousands of euros)	2015	2014
Accrued income	16,704	13,337
Available for sale financial assets	7,983	112
Loans, guarantee instruments and other financial assets	7,788	21706
TOTAL	**32,475**	**35,155**
INCOME TAX RECEIVABLES	**7,441**	**9,319**

In 2014, loans, guarantee instruments and other receivables included an escrow account in the amount of €13.7 million related to the acquisition of GlobalCollect. These funds were paid out during the first quarter of 2015.

Two Group subsidiaries, Ingenico Payment Services GmbH and GlobalCollect, have equity interests in the company Visa Europe.

In November 2015, Visa Inc. announced its intention to redeem all Visa Europe shares and has mailed the purchase price to each of the shareholders. As a result, in the Group's financial statements, these Visa Europe shares are no longer measured at their historical purchase cost (€10 per share), but at their fair value of €8.0 million.

As of December 31, 2015 and 2014, Other Non-Current Assets were as follows:

(in thousands of euros)	2015	2014
Receivables	1,021	387
Finance lease receivables	26,328	25,252
Tax receivables other than current income tax	-	8
Income tax receivables	2,902	1,225
Accrued income	1,065	744
TOTAL	**31,316**	**27,616**

g. Trade payables and related accounts

Trade and related payables are recognized initially at fair value and subsequently measured at amortized cost.

(in thousands of euros)	2015	2014
Trade payables	299,186	274,850
Other operating liabilities	139,393	138,648
Of which customer advances	*10,371*	*9,963*
Of which other tax liabilities	*21,312*	*13,844*
Of which employee-related liabilities	*107,710*	*114,565*
TOTAL	**438,579**	**413,498**

The increase in trade payables is consistent with the increase in business.

h. Other non-current liabilities

(in thousands of euros)	2015	2014
Tax, personnel and social security liabilities	10,515	4,340
Deferred income	28,193	25,513
Other liabilities	58,983	6,231
TOTAL	**97,691**	**36,084**

The increase in other non-current liabilities is principally due to:

- the increase in social liabilities, in connection with the long-term compensation plans in various Group subsidiaries;
- the increase in deferred income, in connection with the increase in sales with extended warranties;
- the recognition of the Fosun Group's put option for its 20% interest in the Group's Chinese companies (see Note 3 "Highlights of the period").

In 2013, the Group increased the share capital of its subsidiary Ingenico Asia Holdings Ltd, issuing shares to an outside shareholder, High Champion Holdings Ltd. This minority shareholder has a put option to sell the shares it subscribed for in 2013 to the Group. Accordingly, the Group recognized a liability in connection with this put option. In 2014, this liability was classified in "Other non-current liabilities". As of December 31, 2015, it is reclassified to "Other current liabilities", as it is now due in the next 12 months.

The valuation method used for the liabilities related to the put options is described in Note 9.d. "Financial assets and liabilities classified by accounting category".

i. Other current liabilities

Other current liabilities are broken down as follows:

(in thousands of euros)	2015	2014
Deferred income	125,548	120,658
Other liabilities	9,012	5,556
TOTAL	**134,560**	**126,214**

Deferred income mainly comes from subsidiary Fujian Landi, for goods invoiced but not yet delivered.

Other liabilities include the put option of minority shareholder High Champion Holdings Ltd, described in Note 5.h. "Other non-current liabilities".

In addition, as of December 31, 2014, Other liabilities included the earn-out payment on the acquisition of Ingenico Payment System LLC. Following its payment, this liability was removed from the Group's balance sheet.

j. Funds, receivables and payables related to intermediation activities

As part of its online payment services, the Group provides intermediation between consumers, credit card issuers, and merchants. Funds held on behalf of merchants correspond to the cash surpluses that the Group holds when the amounts received, from credit card issuers or consumers in respect of purchases made, precede the obligation to pay the merchants.

Receivables related to intermediation activities comprise mainly:

- Group receivables against credit card issuers, in connection with transactions conducted on behalf of merchants but not yet settled;
- Group receivables against merchants in connection with advances made on unsettled transactions and transactions repayable to consumers.

Liabilities related to intermediation activities comprise mainly:

- liabilities in connection with transactions for which the funds paid by credit card issuers or consumers have not yet been transferred to the merchants;
- liabilities in connection with deposits made by merchants at the start of, or during, the client relationship with the Group.

The presentation of the Group's cash flow statement excludes funds held by the Group on behalf of merchants as part of its online payment services.

These funds cannot be used by the Group to finance its own cash requirements. Funds held on behalf of merchants are also subject to large periodic fluctuations depending on the day of the week on which the period ends. The cash flows relating to these funds are therefore not included in the Group's cash flow statement, resulting in a better representation of the nature and substance of these transactions and an improved understanding of the Group's independent cash flows.

(in thousands of euros)	2015	2014
Receivables related to intermediation activities	10,308	1,943
Funds related to intermediation activities	256,159	308,225
TOTAL ASSETS	**266,467**	**310,168**
Payables related to intermediation activities	266,467	310,168
TOTAL LIABILITIES	**266,467**	**310,168**

NOTE 6 Employee benefits and executive compensation (related parties)

a. Payroll costs

Payroll costs are broken down as follows:

(in thousands of euros)	2015	2014
Wages and salaries	338,181	269,375
Social security contributions	87,613	73,411
Service cost (operating component of retirement expenses)	1,626	863
Share-based payments	17,557	10,463
TOTAL	**444,977**	**354,112**

b. Share-based payments

Fair value of free shares awarded

The Group has measured the fair value of the goods and services received during the year based on the fair value of the equity instruments granted (share price on the date of award).

Impact on financial statements

The fair value of free share awards is recognized in payroll costs, with a corresponding increase in equity. Fair value is measured at the grant date and is expensed over the vesting period. The fair value of the free share award plans granted is measured using standard measurement techniques which are adapted to the specific characteristics of each plan, with reference to the terms and conditions defined at the grant date (using the Black-Scholes and/or the Monte-Carlo models). The amount recognized as an expense is adjusted to reflect the actual number of shares vested for the portion corresponding to internal performance conditions.

Other share-based payments

The Group may award some of its employees compensation indexed to the share price of Ingenico Group SA or to the shares of other Group entities, and settled in cash.

These share appreciation rights are measured at fair value. The fair value of the sums payable is recognized as an operating expense over course of the vesting period and offset by other liabilities. This liability is remeasured at fair value through profit or loss until it is settled.

		2015				
(in thousands of euros)	Date of Board	Options/ free shares outstanding at Jan. 1	Options/shares granted during the year	Options exercised/ shares vested during the year	Other movements	Options/ free shares outstanding at Dec. 31
Free share awards Plan	June 22, 2012	5,500	-	(4,500)	(1,000)	-
Free share awards Plan	Octobre 29, 2014	31,200	-	-	(2,400)	28,800
Joint investment Plan	Octobre 29, 2014	199,470	-	-	(17,280)	182,190
Free share awards Plan	July 29, 2015	-	186,900	-	-	186,900
Free share awards Plan	October 22, 2015	-	2,000	-	-	2,000
TOTAL		**236,170**	**188,900**	**(4,500)**	**(20,680)**	**399,890**

		2014				
(in thousands of euros)	Date of Board	Options/ free shares outstanding at Jan. 1	Options/shares granted during the year	Options exercised/ shares vested during the year	Other movements	Options/ free shares outstanding at Dec. 31
Free share awards Plan	June 22, 2012	68,500	-	(63,000)	-	5,500
Free share awards Plan	Octobre 29, 2014	-	31,200	-	-	31,200
Joint investment Plan	June 22, 2012	317,384	-	(334,832)	17,448	-
Joint investment Plan	Octobre 29, 2014	-	199,470	-	-	199,470
TOTAL		**385,884**	**230,670**	**(397,832)**	**17,448**	**236,170**

On July 29, 2015, the Board of Directors decided to establish a free share award plan for the Group's executives and managers. Share awards are dependent on performance and continuous service criteria. The maximum number of free shares to be awarded is 186,900.

On October 22, 2015, the Board of Directors decided to establish a free share award plan for the Group's executives and managers. The maximum number of free shares to be awarded is 2,000. Share awards are dependent on performance and continuous service criteria.

The main features of the compensation plans are described in Chapter 3 of the Reference Document.

On the basis of the parameters used to calculate the fair value of free shares awarded under free share and joint investment plans, and after estimating the internal and external valuation criteria (fulfilment of service conditions and possibly performance conditions), The Group recognized an expense of €8.2 million in operating profit for 2015 (against €4.4 million in 2014).

An expense was also booked in 2015 for other share-based payments in the amount of €9.4 million, against €6.0 million in 2014.

c. Provisions for retirement and benefit obligations

The Group's net obligation in respect of defined-benefit pension plans and other long-term benefits is measured separately for each plan; it is determined by the difference between the discounted present value of the obligation and the fair value of any plan assets.

The discount rate applied is the yield at the reporting date on high-quality corporate bonds with terms consistent with those of the Group's obligations. Calculations are performed by independent actuaries using the projected unit credit method. The amount of the Group's obligation is determined by calculating the amount of future benefits due to employees at retirement and performing an actuarial valuation of the projected future salary levels and the number of years of service of beneficiaries estimated to be part of the plan at the time of retirement.

The Group's entire obligation in respect of defined benefit plans is recognized immediately. Any actuarial gains and losses arising during the period are recognized in other comprehensive income. To determine the return on plan assets, the Group uses the rate applied to determine the discounted present value of the obligation.

There are two categories of retirement benefit plans described as follows:

1) Defined contribution plans

These plans exist in most European countries in which the Group operates (France, Benelux, Germany, Italy and Spain), and in the United States and Asia-Pacific countries. Under these plans, Group entities make payments, expensed as incurred, on a regular basis to organizations authorized to manage the retirement plans.

2) Defined benefits plans

There are two types of defined benefit plans recognized in provisions for retirement benefit obligations:

- unfunded defined benefit plans: Under these plans, provisions for retirement benefits are recognized as a liability in the balance sheet under "Provisions for retirement benefit obligations";
- funded defined-benefit plans. Provisions for retirement benefits are also recognized as a liability in the balance sheet, minus the value of the assets;

The Group recognized the following provisions:

- supplementary pension services (United Kingdom, Germany);
- retirement or severance benefits (France, Italy, Turkey, the Netherlands);
- seniority premiums (France, Netherlands).

These benefit obligations have been measured by independent actuaries.

No long-term obligation for medical plans exists in the Group.

Changes in provisions for retirement benefits and similar commitments break down as follows:

	2015						
	Unfunded plans						
(in thousands of euros)	France Liability	Germany Liability	Italy Liability	Turkey Liability	Netherlands Liability	Other Liability	Total
At January 1	**7,798**	**5,223**	**2,730**	**297**	**518**	**224**	**16,790**
Assignment of obligation	-	-	-	-	(445)	-	(445)
Translation differences and other movements	-	-	-	(27)	-	6	(21)
Current service cost	1,052	167	147	38	4	218	1,626
Interest on obligation	119	81	39	23	-	9	271
Benefits paid	(441)	-	(58)	(24)	-	-	(523)
Revaluation of the net defined benefit liability	(1,260)	(376)	106	(91)	-	(38)	(1,659)
At December 31	**7,268**	**5,095**	**2,964**	**216**	**77**	**419**	**16,039**

	2015			
	Funded plans			Total
	United Kingdom			
(in thousands of euros)	Liability	Assets	Total	Balance sheet provision
At January 1	**28,863**	**(27,549)**	**1,314**	**18,104**
Assignment of obligation	-	-	-	(445)
Translation differences and other movements	1,785	(1,700)	85	64
Return on plan assets	-	(1,076)	(1,076)	(1,076)
Current service cost	-	-	-	1,626
Interest on obligation	1,107		1,107	1,378
Benefits paid	(2,468)	2,468	-	(523)
Contributions to pension funds	-	(1,102)	(1,102)	(1,102)
Revaluation of the net defined benefit liability	(371)	1,028	657	(1,002)
At December 31	**28,916**	**(27,931)**	**985**	**17,024**

In December 2015, a retirement benefits plan at subsidiary GlobalCollect was sold to an outside company. All risks associated with the plan having been divested, and the commitment is no longer included in the Group's balance sheet.

	2014						
	Unfunded plans						
(in thousands of euros)	France Liability	Germany Liability	Italy Liability	Turkey Liability	Netherlands Liability	Other Liability	Total
At January 1	**5,362**	**4,289**	**2,214**	**141**	**-**	**-**	**12,006**
Business combination	-	-	-	-	473	-	473
Translation differences and other movements	-	(121)	-	11	-	8	(102)
Current service cost	569	116	150	23	5	-	863
Interest on obligation	163	(73)	66	15	5	202	378
Benefits paid	(189)	(121)	(123)	-	-	-	(433)
Revaluation of the net defined benefit liability	1,893	1,133	423	107	35	14	3,605
At December 31	**7,798**	**5,223**	**2,730**	**297**	**518**	**224**	**16,790**

	2014			2014
	Funded plans			Total
	United Kingdom			
(in thousands of euros)	Liability	Assets	Total	Balance sheet provision
At January 1	**22,912**	**(23,496)**	**(584)**	**11,422**
Business combination	-	-	-	473
Translation differences and other movements	1,760	(1,735)	25	(77)
Return on plan assets	-	(1,107)	(1,107)	(1,107)
Current service cost	-	-	-	863
Interest on obligation	1,061	-	1,061	1,439
Benefits paid	(330)	328	(2)	(435)
Contributions to pension funds	-	(992)	(992)	(992)
Revaluation of the net defined benefit liability	3,460	(547)	2,913	6,518
At December 31	**28,863**	**(27,549)**	**1,314**	**18,104**

Breakdown of fair value of plan assets

Plan investments	In thousands of euros	In %	Yield
Shares	19,116	68%	3.90%
Bonds	8,421	30%	3.90%
Other	394	2%	3.90%
TOTAL	**27,931**	**100%**	**3.90%**

Plan assets do not include any land or buildings occupied by Group entities or any other assets used by the Group. There are no separately identifiable assets.

Main actuarial assumptions

	Eurozone	Turkey	United Kingdom
Discount rate	2.05%	10.80%	3.90%
Expected future salary increases	1,5% to 2,9%	7.00%	N/A

BEST ESTIMATE OF PLAN CONTRIBUTIONS PAYABLE IN 2016

Expected contributions for the fiscal year ended December 31, 2016 break down as follows:

(in thousands of euros)	2016
Employer contributions	1,090
Plan participants' contributions	-

SENSITIVITY OF ASSETS AND LIABILITIES TO THE MAIN ASSUMPTIONS AS OF DECEMBER 31, 2015

A 1% increase or decrease in the discount rate or the inflation rate would not significantly change the value of net surplus/liability.

In the United Kingdom, if a fund is liquidated, any surplus of assets over liabilities would be returned to the Group.

d. Related party transactions

Total compensation and benefits paid to the Executive Committee in 2015 and 2014 break down as follows:

(in thousands of euros)	2015	2014
Total compensation and benefits (1)	12,248	7,184
Free share awards (2)	2,548	1,379
TOTAL	**14,796**	**8,563**

(1) Includes all compensation paid during the period (gross salary, including fixed and variable compensation, premiums and benefits in kind, incentive programs and profit-sharing).

(2) Expense recorded in the income statement related to free share award plans.

This shows only the compensation and benefits paid to members of the Executive Committee, whose role is to set Group strategy, create the conditions for implementation of that strategy and ensure that objectives are met. The Executive Committee is chaired by the Chairman & Chief Executive Officer.

In 2014, the Executive Committee had 12 members, following the departure of 2 directors.

The increase in total compensation in 2015 is jointly explained by the appointment of three new members, two of whom received exceptional compensation negotiated during the acquisition of GlobalCollect Group, some promotions, and a significant currency effect. As of December 31, 2015, the Executive Committee includes 12 members, following the departure of 3 members.

NOTE 7 Property, plant and equipment and intangible assets

Goodwill impairment texts

Ingenico tested the carrying amounts of goodwill for impairment. This procedure, chiefly based on the after-tax discounted future cash flow method, consists of measuring the recoverable amount of each cash-generating unit (CGU) that generates independent cash flows. These CGUs reflect the Group's current organizational structure as described in Note 5, "Segment reporting". Impairment tests are performed every year on November 30 and whenever there is any indication that an asset may be impaired.

In accordance with IAS 36, the recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Only in those rare cases in which a recent transaction involving the assets under consideration provides relevant and reliable information does the Group opt for calculating fair value less costs to sell. In most other cases, the Group calculates value in use by estimating cash flow projections based on existing business forecasts for a five-year period, including growth and profitability rates based on reasonable assumptions.

Impairment of other non-financial assets

The carrying amounts of the Group's other non-financial assets are reviewed at each reporting date to determine whether there is any indication that an asset may be impaired. If such indication exists, the asset's recoverable amount is estimated.

For intangible assets that are not yet available for use, the recoverable amount is estimated annually or as soon as there is any indication of impairment.

At each reporting date, the Group assesses whether any events and circumstances indicate that an asset may be impaired. Such events and circumstances include significant adverse changes affecting the economic environment and the assumptions and objectives the Group has made or set (budget monitoring, three-year plan, cost-benefit studies, market share, orders on the books). If such events and circumstances are identified, the asset's recoverable amount is estimated.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use, which is the present value of the expected future cash flows estimated by discounting the expected future cash flows, based on a discount rate of the CGU to which the asset is assigned.

If the carrying amount exceeds its recoverable amount, an impairment is recognized in operating income.

a. Goodwill

Determination of goodwill

On the acquisition date, goodwill is measured as the difference between:

- the aggregate of the fair value of the consideration transferred (earn-outs included), the amount of any non-controlling interests in the acquiree and, in a business combination achieved in stages, the acquisition-date fair value of the Group's previously-held equity interest in the acquiree, revalued accordingly in "Profit from operating activities – Other operating income and expenses";
- the net fair value of the net assets and liabilities at the acquisition date, measured at fair value.

All other costs directly attributable to the acquisition are expensed as incurred in "Other operating income and expenses".

Adjustments to provisional amounts (earn-out, deferred payment) are measured at their acquisition-date fair value. Subsequently, those adjustments are measured at fair value at each future reporting date. Any revaluation is recognized in profit or loss in "Other operating income and expenses".

Operating segments are the level at which Group management monitors goodwill, particularly with respect to long-range strategic planning, resource allocation and performance tracking.

It should be noted that in 2015 the Group modified its operational structure, as explained in Note 3 "Highlights of the period".

The CGUs identified by the Group are now as follows:

- Central Operations, a division that brings together the distribution of products and services to the Regions identified below;
- Europe & Africa (including France, United Kingdom, Spain, Germany, Benelux, Russia, Italy and Africa);
- APAC & Middle East (Turkey, Australia, China, Indonesia, India, etc.);
- North America (United States, including Roam Data and Canada);
- Latin America (Brazil and Mexico, etc.);
- ePayments (subsidiaries from e-Commerce Solutions, formerly Ogone, and GlobalCollect acquisition).

Impairment tests are performed for each CGU or for groups of CGUs as defined above.

Breakdown of goodwill

The following tables reflect the breakdown of goodwill among CGUs:

(in thousands of euros)	2015	2014
At January 1	**1,342,759**	**849,321**
Investments	-	478,450
Translation differences	7,586	14,988
Adjustments	174	-
AT DECEMBER 31	**1,350,519**	**1,342,759**

	2015			2014 restated		
Cash generating units *(in thousands of euros)*	**Gross amount**	**Total impairment losses**	**Net carrying amount**	**Gross amount**	**Total impairment losses**	**Net carrying amount**
APAC & Middle East	83,027	-	83,027	79,494	-	79,494
North America	70,768	(21,392)	49,376	67,566	(21,392)	46,174
Latin America	3,577	-	3,577	4,789	-	4,789
Europe & Africa	246,704	(2,402)	244,302	246,240	(2,336)	243,904
ePayments	798,782	-	798,782	798,614	-	798,614
Central Operations	171,455	-	171,455	169,784	-	169,784
TOTAL	**1,374,313**	**(23,794)**	**1,350,519**	**1,366,487**	**(23,728)**	**1,342,759**

In 2014, the increase in goodwill primarily resulted from the acquisition of GlobalCollect. In 2015, in the 12 months following the acquisition, a final goodwill adjustment was recorded for GlobalCollect.

The main assumptions used to calculate the recoverable amount of goodwill are as follows:

	2015						
Cash-generating units	**APAC Middle East**	**North America**	**Latin America**	**Europe & Africa**	**ePayments**	**Central Operations**	**Total**
Net carrying amount of goodwill *(in thousands of euros)*	83,027	49,376	3,577	244,302	798,782	171,455	1,350,519
Valuation method for the cash generating unit	Value in use	Value in use	Value in use	Value in use	Value in use	Value in use	
Number of years over which cash flows are estimated	5 years	5 years	5 years	5 years	5 years	5 years	
Long-term growth rate	1.00%	1.00%	1.00%	1.52%	2.50%	1.00%	
Weighted average cost of capital used at December 31, 2015	9.0%	7.2%	15.1%	7.8%	7.6%	8.0%	

	2014							
Cash-generating units	**SEPA**	**Asia-Pacific**	**North America**	**Latin America**	**EMEA**	**GlobalCollect**	**Central Operations**	**Total**
Net carrying amount of goodwill *(in thousands of euros)*	554,989	65,961	18,382	4,789	22,611	478,450	197,577	1,342,759
Valuation method for the cash generating unit	Value in use	Value in use	Value in use	Value in use	Value in use	Value in use	Value in use*	
Number of years over which cash flows are estimated	5 years	5 years	5 years	5 years	5 years	5 years	5 years	
Long-term growth rate	2.20%	1.00%	1.00%	1.00%	1.00%	2.50%	2.50%	
Weighted average cost of capital used at December 31, 2014	7.9%	9.5%	7.8%	15.5%	11.1%	8.0%	8.0%	

* *In 2014, Roam Data activities were valued using fair value less cost to sell.*

The assumptions concerning growth rates and weighted average cost of capital (WACC) used in the determination of the recoverable amounts of all CGUs have been reassessed in the light of changes in global market information. The weighted average cost of capital is a medium-term rate.

The changes in discount rate come from changes in the three underlying components: the risk-free rate, the risk premium, and the volatility of Ingenico's share price in relation to the sectoral index (Beta). The long-term growth rate used by the Group does not exceed that of its business sector. Applying a discount rate before tax to before-tax cash flows would have led to a similar assessment of the cash-generating units.

The Group uses discount rates based on market data for impairment testing. Sensitivity tests show that a 100 basis-point increase in the discount rate would not lead to impairment.

Finally, a sensitivity analysis regrouping key parameters, namely the discount rate and the long-term growth rate, has shown that, under all reasonable changes in assumptions, there is no probable scenario in which the recoverable amount of a CGU would be less than its carrying amount.

Sensitivity of recoverable amounts

	2015				
	Discount rate		Perpetuity growth rate		Cash flow
	Rate applied (%)	Discount rate which makes recoverable amount equal carrying amount (%)	Rate applied (%)	Perpetuity growth rate which makes recoverable amount equal carrying amount (%)	Cash flow decrease required for recoverable amount to equal carrying amount (%)
Europe & Africa	7.8%	18.1%	1.5%	-19,8%	-65%
ePayments	7.6%	8.7%	2.5%	1,2%	-19%

As of December 31, 2015, the recoverable amounts for APAC & Middle East, North America, Latin America and Central Operations were significantly greater than the carrying amounts. This precluded the need to increase the discount rate, decrease the perpetuity growth rate or reduce cash flow, which would have been necessary to ensure that their respective recoverable amounts equaled their respective carrying amounts.

Business forecasts are based on the business plans developed by the CFOs of the various cash generating units. Group financial management has reviewed these plans, performing stress tests on the assumptions as to long-term growth and discount rates.

	2014				
	Discount rate		Perpetuity growth rate		Cash flow
	Rate applied (%)	Discount rate which makes recoverable amount equal carrying amount (%)	Rate applied (%)	Perpetuity growth rate which makes recoverable amount equal carrying amount (%)	Cash flow decrease required for recoverable amount to equal carrying amount (%)
SEPA	7.9%	13.8%	2.2%	- 9.2%	- 54%
GlobalCollect	8.0%	10.9%	2.5%	- 1.1%	- 36%

As of December 31, 2014, the recoverable amounts for Asia-Pacific, North America, Latin America and Central Operations were significantly greater than the carrying amounts. This precluded the need to increase the discount rate, decrease the perpetuity growth rate or reduce cash flow, which would have been necessary to ensure that their respective recoverable amounts equaled their respective carrying amounts.

b. Intangible assets

Intangible assets

Research and development

Research costs are expensed as incurred.

Development costs for the production of new or substantially improved products and processes are recognized as an asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset and the Group's intention to complete it and then use it or sell it;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- the Group's ability to measure the expenditure attributable to the intangible asset during its development reliably;
- how the intangible asset will generate probable future economic benefits (through the existence of a market for its output or the usefulness of the intangible asset for internal use).

Other development costs, net of subsidies, are expensed as incurred.

Other intangible assets

Licenses, brand names, customer contracts, software and user rights over which the Group has full ownership, as well as software developed for internal use that has a positive, lasting and measurable impact on future results are capitalized and amortized over their estimated useful lives.

Subsequent expenditure

Subsequent expenditure on intangible assets is only capitalized when it increases the future economic benefits of the specific asset to which it relates. Otherwise, they are expensed as incurred.

Depreciation and amortization

The straight-line method is used to amortize intangible assets over their estimated useful lives.

Intangible assets under development are not amortized, but are tested annually for impairment. Other intangible assets are amortized from the date they are available for use.

The estimated useful lives are as follows:

- capitalized development costs 3 to 10 years;
- licenses 3 years*;
- customer relations 5-20 years;
- other intangible assets 5 years*.

Impairment losses

An impairment loss recognized in respect of a non-current asset can be reversed if its recoverable amount again becomes greater than its net carrying amount.

	2015				
(in thousands of euros)	**Licenses, trademarks, technology**	**Development expenses (incurred internally)**	**Customer relationships**	**Other intangible assets**	**Total**
GROSS AMOUNT					
At January 1	**172,354**	**109,695**	**480,566**	**18,438**	**781,053**
Investments	8,228	6,772	-	17,852	32,852
Divestitures	(10,463)	(26,988)	-	(1,760)	(39,211)
Translation differences	430	543	665	(141)	1,497
Reclassifications and others	5,708	(2,322)	(2,745)	(11,936)	(11,295)
At December 31	**176,257**	**87,700**	**478,486**	**22,453**	**764,896**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES					
At January 1	**(59,011)**	**(77,272)**	**(97,856)**	**(2,361)**	**(236,500)**
Depreciation and amortization	(25,130)	(5,870)	(34,821)	(424)	(66,245)
Divestitures and impairment losses	10,453	26,265	-	1,337	38,055
Translation differences	(599)	(517)	(430)	60	(1,486)
Reclassifications and others	(1,659)	5,384	2,745	3,334	9,804
At December 31	**(75,946)**	**(52,010)**	**(130,362)**	**1,946**	**(256,372)**
NET CARRYING AMOUNT					
At January 1	**113,343**	**32,423**	**382,710**	**16,077**	**544,553**
At December 31	**100,311**	**35,690**	**348,124**	**24,399**	**508,524**

* *Or contractual term.*

Allocation of goodwill on assets of acquired companies

	Carrying amount at Dec. 31, 2015				
(in thousands of euros)	GlobalCollect (2014)	Ogone (2013)	Easycash (2009)	Other	Total
Hardware and software technology	84,175	5,040	59	863	90,137
Long-term customer contracts	276,563	26,850	23,255	21,456	348,124
TOTAL IDENTIFIED AND ALLOCATED ASSETS	**360,738**	**31,890**	**23,314**	**22,319**	**438,261**
Amortization for the period	(24,371)	(6,570)	(7,588)	(9,682)	(48,211)

At December 31, 2015, as at December 31, 2014, there was no indication of impairment of intangible assets. The main indications of impairment taken into consideration were the following:

- sales prospects for products whose development costs have been capitalized;
- changes in customer portfolio;
- obsolescence or abandonment of internally developed software.

	2014				
(in thousands of euros)	Licenses, trademarks, technology	Development expenses (incurred internally)	Customer contracts	Other intangible assets	Total
GROSS AMOUNT					
At January 1	**63,427**	**116,388**	**185,605**	**13,613**	**379,033**
Investments	6,175	14,877	-	6,081	27,133
Divestitures	(1,236)	-	-	(109)	(1,345)
Changes in consolidation scope	96,887	-	295,000	-	391,887
Translation differences	1,230	783	(1,406)	99	706
Reclassifications and others	5,871	(22,353)	1,367	(1,246)	(16,361)
At December 31	**172,354**	**109,695**	**480,566**	**18,438**	**781,053**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES					
At January 1	**(40,613)**	**(84,519)**	**(72,683)**	**(1,680)**	**(199,495)**
Depreciation and amortization	(16,669)	(9,750)	(25,079)	(734)	(52,232)
Divestitures and impairment losses	43	-	-	27	70
Translation differences	(1,151)	(720)	(94)	(25)	(1,990)
Reclassifications and others	(621)	17,717	-	51	17,147
At December 31	**(59,011)**	**(77,272)**	**(97,856)**	**(2,361)**	**(236,500)**
NET CARRYING AMOUNT					
At January 1	**22,814**	**31,869**	**112,922**	**11,933**	**179,538**
At December 31	**113,343**	**32,423**	**382,710**	**16,077**	**544,553**

Allocation of goodwill on assets of acquired companies

(in thousands of euros)	Carrying amount at December 31, 2014				
	GlobalCollect (2014)	Ogone (2013)	Easycash (2009)	Other	Total
Hardware and software technology	93,795	7,560	196	1,964	103,515
Long-term customer contracts	291,313	30,900	30,707	29,790	382,710
Other intangible assets	-	-	-	8	8
TOTAL IDENTIFIED AND ALLOCATED ASSETS	**385,108**	**38,460**	**30,903**	**31,762**	**486,233**
Amortization for the period	(6,093)	(6,570)	(8,030)	(11,724)	(32,417)

c. Property, plant and equipment

Property, plant and equipment

Assets owned by the Group

Property, plant, and equipment are stated at cost, less any accumulated depreciation and impairment losses.

When components of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The replacement cost of a component is immediately capitalized under Property, plant and equipment if it is probable that the future economic benefits arising from the asset will flow to the Group and its cost can be reliably measured. All routine maintenance and repair costs are expensed as incurred.

Gains or losses on disposals are recognized in "Profit from operating activities – Other operating income and expenses" if they are unusual and significant.

Depreciation and amortization

Depreciation is computed using the straight-line method over the estimated useful life of each type of item. The useful lives and residual values of property, plant and equipment are reviewed and if need be adjusted at each reporting date.

Land is not depreciated. The estimated useful lives are as follows:

- building improvements 5 -10 years*;
- equipment 3 -4 years;
- vehicles 5 years;
- dies 4 years;
- furniture, fixtures, office and computer equipment 3-10 years*.

* *Or the contractual term of the lease.*

(in thousands of euros)	2015 Land and buildings	Plant and equipment	Other	Assets in progress	Total
GROSS AMOUNT					
At January 1	**14,123**	**29,975**	**62,928**	**2,143**	**109,169**
Investments	4,169	5,808	17,043	2,943	29,963
Divestitures	(1,320)	(2,424)	(16,829)	-	(20,573)
Translation differences	218	(1,057)	193	13	(633)
Other	178	215	326	(2,284)	(1,565)
At December 31	**17,368**	**32,517**	**63,661**	**2,815**	**116,361**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES					
At January 1	**(7,180)**	**(20,857)**	**(29,421)**	**-**	**(57,458)**
Depreciation and amortization	(2,269)	(4,583)	(17,101)	-	(23,953)
Divestitures and impairment losses	1,291	2,331	15,575	-	19,197
Translation differences	(163)	770	(250)	-	357
Other	-	(11)	1,364	-	1,353
At December 31	**(8,321)**	**(22,350)**	**(29,833)**	**-**	**(60,504)**
NET CARRYING AMOUNT					
At January 1	**6,943**	**9,118**	**33,507**	**2,143**	**51,711**
At December 31	**9,047**	**10,167**	**33,828**	**2,815**	**55,857**

(in thousands of euros)	2014 Land and buildings	Plant and equipment	Other	Assets in progress	Total
GROSS AMOUNT					
At January 1	**11,414**	**26,328**	**47,917**	**816**	**86,475**
Investments	1,872	5,478	13,498	1,347	22,195
Divestitures	(738)	(2,512)	(6,982)	(92)	(10,324)
Changes in consolidation scope*	890	-	6,637	2,091	9,618
Translation differences	612	371	1,144	19	2,146
Other	73	310	714	(2,038)	(941)
At December 31	**14,123**	**29,975**	**62,928**	**2,143**	**109,169**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES					
At January 1	**(5,666)**	**(19,169)**	**(22,438)**	**(1)**	**(47,274)**
Depreciation and amortization	(1,770)	(3,880)	(12,378)	-	(18,028)
Divestitures and impairment losses	640	2,444	6,021	-	9,105
Translation differences	(385)	(240)	(817)	-	(1,442)
Other	1	(12)	191	1	181
At December 31	**(7,180)**	**(20,857)**	**(29,421)**	**-**	**(57,458)**
NET CARRYING AMOUNT					
At January 1	**5,748**	**7,159**	**25,479**	**815**	**39,201**
At December 31	**6,943**	**9,118**	**33,507**	**2,143**	**51,711**

* *Related to the acquisition of GlobalCollect.*

NOTE 8 Other provisions

Provisions

Provisions are recognized in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Litigation and claims

Provisions for litigation and claims are recognized when the Group has a current obligation in respect of litigation in progress, administrative inquiries, disputed proceedings and other claims arising from past events not yet settled, and that it is probable that an outflow of economic benefits, which can be reliably estimated, will be required to settle the obligation. The Group obtains legal advice to assess the probability of the outcomes and to measure the provisions for litigation and claims.

Restructuring

A provision for restructuring is recognized when the Group has approved a formal and detailed restructuring plan and has:

- either commenced the restructuring;
- or has announced the plan publicly.

Provisions are not recognized for future operating costs.

Warranties

A provision for warranties is recognized when the underlying goods or services are sold.

The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

Supplier inventory buyback commitments

A provision for commitments to buy back inventory from suppliers is recognized to cover the risk that components held by suppliers may become obsolete and the risk that supplies may exceed planned output.

A provision for the full value of components declared obsolete is recognized. The Group estimates excess supplies by comparing the procurement plan with the production plan.

Product quality risk

A provision for product quality risk is recognized when this risk is not covered by the provision for warranties.

The amount of the provision is based on a weighting of all possible outcomes against their associated probabilities.

Onerous contracts

A provision for onerous contracts is recognized when the expected economic benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(in thousands of euros)	Balance at Jan. 1, 2015	Translation differences	Changes in consolidation scope	Additions	Reversals of amounts used	Reversal of unused amounts	Other movements	Balance at Dec. 31, 2015
Provisions for warranties	15,073	133	-	20,224	(14,861)	(511)	(27)	20,031
Provisions for litigation and claims	10,296	(122)	-	994	(248)	(210)	(900)	9,810
Provisions for restructuring	584	-	-	-	(539)	-	(45)	-
Other provisions	17,284	(1,067)	-	16,178	(4,517)	(3,570)	(2,386)	21,922
TOTAL OTHER PROVISIONS	**43,237**	**(1,056)**	**-**	**37,396**	**(20,165)**	**(4,291)**	**(3,358)**	**51,763**

(in thousands of euros)	Balance at Jan. 1, 2014	Translation differences	Changes in consolidation scope	Additions	Reversals of amounts used	Reversal of unused amounts	Other movements	Balance at Dec. 31, 2014
Provisions for warranties	12,455	1,010	-	14,003	(12,273)	(85)	(37)	15,073
Provisions for litigation and claims	8,017	107	1,028	3,354	(2,064)	(420)	274	10,296
Provisions for restructuring	1,207	(3)	-	504	(1,125)	-	1	584
Other provisions	8,891	(563)	-	12,181	(4,131)	(2,565)	3,471	17,284
TOTAL OTHER PROVISIONS	**30,570**	**551**	**1,028**	**30,042**	**(19,593)**	**(3,070)**	**3,709**	**43,237**

(i) Warranties

The sale of terminals is usually accompanied by a 12-month warranty. The provision for warranties on the balance sheet reflects the costs expected by the Group to meet its terminal repair obligations. This statistical calculation is based on historical data. Increases in provisions for warranties may therefore reflect one of two causes:

- growth of sales accompanied by warranties; or
- an adjustment of the provision's calculation.

(ii) Litigation and claims

Ingenico is engaged in a number of claims and arbitration proceedings arising in connection with its business.

Commercial disputes

Commercial disputes are regularly reviewed by the Legal Department and are covered by provisions if the Group considers that it is probable that an outflow of resources will be necessary to cover the risk incurred and that such an outflow can be reliably estimated. Reversals of unused amounts chiefly reflect the resolution of such disputes that were settled in the Group's favor, or in which the amount of the damages awarded proved to be lower than originally estimated.

Tax disputes

During fiscal year 2015 and prior years, Group companies were subject to tax audits and occasionally proposals for adjustments. The financial consequences of such additional tax assessments and taxes are recognized through provisions for the amounts that have been notified and accepted or are considered as presenting a probable outflow of resources which can be reliably estimated.

The Group periodically reviews the assessment of this risk as audits or litigations progress, and is of the opinion that there are no ongoing audits that will have a material impact on its financial position or liquidity.

Tax disputes in Brazil

The tax assessment procedures in respect of a Brazilian subsidiary are still in progress. They relate to the ICMS tax, where the amount in question was approximately €53 million as of December 31, 2015 (covering principal, interest and penalties from 2004 to 2009). The "Tax War" currently pitting Brazilian States against each other may affect Ingenico as well as a large number of Brazilian and international companies. Against this background, the tax authorities of the State of Sao Paulo have contested the deduction by Ingenico do Brazil of a portion of the ICMS tax on the sales invoices of its suppliers on the grounds that the State of Minas Gerais, in which the supplier operates, had granted the supplier a tax concession that violates federal law. All notified ICMS-related assessments are still being contested in the administrative courts in Brazil. As of December 31, 2015 Ingenico had not been notified of any final decision by the Brazilian administrative courts and consequently had not received any demand for payment. In addition, the subsidiary, on the advice of tax experts, believes it has serious grounds for contesting the claims of the authorities. Based on an analysis of the risks involved and on the criteria set out in IAS 37, no provision has been recognized in the consolidated financial statements as of December 31, 2015.

(iii) Other provisions

(in thousands of euros)	2015	2014
Supplier inventory buyback commitments	2,769	2,355
Product quality risk	10,250	10,777
Employee indemnities and benefits	5,105	837
Customer sales indemnities	823	721
Other expenses	2,975	2,593
TOTAL OTHER PROVISIONS	**21,922**	**17,284**

The €3.6 million in reversals of unused amounts mainly relates to commitments to suppliers to purchase inventories and elimination of the French individual training entitlement ("DIF") and related provisions.

Other changes include in particular a €2.7 million provision for quality-related risks at Ingenico Do Brazil.

NOTE 9 Financing and financial instruments

a. Net finance costs

(in thousands of euros)	2015	2014
Interest expense on financial liabilities at amortized cost and bond loan	(20,541)	(27,826)
Interest expense on finance lease contracts	(179)	(169)
Total interest expense	**(20,720)**	**(27,995)**
Income from cash and cash equivalents	5,026	6,314
Interest income on finance lease contracts	4,458	3,805
Net interest expense	**(11,236)**	**(17,876)**
Foreign exchange gains	74,546	37,651
Foreign exchange losses	(79,227)	(39,295)
Foreign exchange gains and losses, net	**(4,681)**	**(1,644)**
Financial component of retirement expenses and the cost of other post-employment benefits	(302)	(332)
Gains/(losses) on equity interests	(571)	-
Gains on discounting of non-current debts and receivables	-	466
Loss on discounting of non-current debts and receivables	-	(324)
Other financial income	61	194
Other financial income and expenses, net	(1,880)	(21)
Other financial income and expenses, net	**(2,692)**	**(17)**
Net finance costs	**(18,609)**	**(19,537)**
TOTAL FINANCIAL INCOME	**84,091**	**48,430**
TOTAL FINANCIAL EXPENSES	**(102,700)**	**(67,967)**

Net finance costs in 2015 are broken down as follows:

- loan interest expense related to the borrowings described in paragraph b. Interest expense on the new convertible bond (OCEANE) was €5.1 million. Interest expense of €0.6 million was recorded in January 2015 for the full conversion of the previous convertible bond issued in 2011;
- interest expense on the 2014 bond and embedded swap was €9.4 million;
- interest expense on bank loans totaled €4.6 million;
- interest expense on commercial papers totaled €0.6 million.

Interest income on finance lease contracts (where the Group is the lessor) mainly involves Ingenico Payment Services GmbH, Ingenico Group SA and Ingenico Italia Spa.

The foreign exchange loss of €4.7 million is the result of foreign exchange gains and losses on revaluation of loans and borrowings as well as on revaluations of the related hedging instruments.

Other financial income and expenses concerns the impairment of non-consolidated securities and expenses related to retirement obligations (see Note 6.c. “Employee benefits”).

Net finance costs in 2014 are broken down as follows:

- interest expense on the OCEANE convertible bond was €7.7 million (including a €0.5 million coupon);
- interest expense on the bond set up in 2014 was €6.3 million;
- interest expense on bank loans and drawdowns totalled €11.8 million.

In 2014, the Group repaid the bank loans outstanding as of December 31, 2013. An interest rate swap designated as a cash flow hedge was applied to the syndicated credit facility of August 2011. In the absence of underlying assets, this hedge was no longer considered effective and lost its classification as a cash flow hedge. The impact of the loss of effectiveness was the recycling of inventories at fair value from equity to profit or loss. It generated a net expense of €2.0 million in profit or loss.

Interest income on finance lease contracts (where the Group is the lessor) mainly involved Ingenico Payment Services GmbH, Ingenico Group SA and Ingenico Italia Spa.

The Group posted a net foreign exchange loss of €1.6 million for the period. This was the result of gains and losses on revaluation of loans and borrowings as well as on remeasurement of the related hedging instruments.

Other financial income and expenses mainly comprised post-employment benefit obligations and the cost of unwinding the discount on non-current receivables and payables, corresponding to earn-outs on acquisitions and disposals.

b. Net debt

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, together with short-term, highly liquid investments that are easily convertible to a known amount of cash, which are subject to an insignificant risk of changes in value and that have a short maturity.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

Financial liabilities

The Group's financial liabilities consist primarily of current and non-current bank borrowings and a convertible bond issue. In accordance with IAS 39, the former are measured at amortized cost, and the latter is accounted for as a composite financial instrument.

Borrowings at amortized cost

Borrowings are initially recognized at fair value less any directly attributable transaction costs. They are subsequently measured at amortized cost using the effective interest method.

(in thousands of euros)	2015	2014
"OCEANE" convertible bond issue	427,757	-
Bond issue	456,773	456,702
Bank borrowings	(3,008)	575,385
Finance lease obligations	520	827
Other financial liabilities	2,974	3,210
Non-current borrowings and long-term debt	**885,016**	**1,036,124**
"OCEANE" convertible bond issue	-	111,628
Bank and similar borrowings	-	20,000
Commercial papers	259,500	-
Finance lease obligations	679	751
Bank overdrafts	19,980	14,607
Other financial liabilities	1,279	1,521
Interest accrued but not due	5,484	5,953
Short-term loans and borrowings	**286,922**	**154,460**
TOTAL FINANCIAL BORROWINGS AND DEBT	**1,171,938**	**1,190,584**
Cash	624,801	359,318
Marketable securities and short-term deposits	295,081	67,075
Cash and cash equivalents	**919,882**	**426,393**
Net debt	**252,056**	**764,191**

As of December 31, 2015, long- and short-term bank borrowings and bond debt amounted to €1,171.9 million, including:

- €427.8 million in respect of an OCEANE convertible bond issued on June 26, 2015;
- €456.8 million in respect of a bond issued in May 2014;
- €259.5 million in respect of commercial papers;
- a negative €3 million corresponding to the unamortized capitalized interest on the €500 million syndicated credit facility which was undrawn at the reporting date;
- €5.5 million in interest accrued but not due on the convertible bond issued in 2014.

As of December 31, 2014, long- and short-term bank borrowings amounted to €1,190.6 million, including €111.6 million relating to an OCEANE convertible bond, now repaid, €456.7 million related to the bond, €575.4 million related to the above unused loan facility, and €5.9 million in interest accrued but not due.

1) Convertible bond issue

On January 15, 2015, the Group exercised its early redemption option on OCEANE bonds (convertible into and/or exchangeable into new or existing shares) issued in March 2011. The liability of €111.6 million is recorded in the consolidated financial statements of December 31, 2014.

On June 26, 2015 the Group completed a new issue of (OCEANE) bonds convertible into and/or exchangeable for new or existing Ingenico shares maturing on June 26, 2022 (ISIN: FR0012817542). The nominal amount of the bond was €500 million, representing 2,904,443 bonds, each with a nominal value of €172.15.

This OCEANE is classified as compound financial instrument and, as such, falls within the scope of IAS 32, which requires separate accounting in the balance sheet of the equity component (the call option the holder has to convert the bonds into shares) of the liability component (the contractual arrangement to deliver cash).

The fair value of the debt and the portion allocated to equity is calculated as of OCEANE's issue date, June 26, 2015.

The fair value of the recognized liability classified as long-term debt is calculated using the average market rate for a straight bond. The difference between the nominal value and the fair value of the bond was recognized in equity under "Retained earnings and other reserves", net of deferred tax.

The OCEANE is a zero-coupon bond. The average market rate for a bond of equivalent maturity at issuance would have been 2.31%. The fair value of the liability component was €422.7 million upon issuance and €73.3 million for the option component, after taking into account the issuer's call option and the attribution of issuance costs (€4.1 million prorated between debt and equity).

After deduction of issuance costs and reclassification of the equity component of the bonds, the interest rate is 2.41%.

2) Bond issue

On May 20, 2014, Ingenico Group SA issued a bond maturing on May 20, 2021. The nominal amount of the bond was €450 million representing 4,500 bonds each with a nominal value of €100,000. The bonds pay an annual coupon of 2.5%. The debt was recognized at amortized cost. Issuance costs and the issue premium are amortized in profit or loss over the life of the bond.

The bond issue was accompanied by an information memorandum approved by the Autorité des marchés financiers under visa number 14-210 on May 16, 2014.

3) Bank borrowings

In July 2014, the Group signed a syndicated credit facility and a syndicated loan for a total €600 million. These were used primarily in the acquisition GlobalCollect and was broken down as follows:

- a €500 million syndicated credit facility with an initial term of 5 years. At the end of December 2015, it was undrawn. As of end December 2014, it had been fully drawn for €500 million;
- a syndicated loan of €100 million, repayable over 5 years, which was repaid ahead of schedule in July 2015.

The loan has a variable interest rate based on the 1-month Euribor.

In connection with the syndicated credit facility signed in 2014, the Group is committed to satisfying certain financial ratios which are tested annually, based on pro forma consolidated financial statements. Net debt on December 31, 2014 must be less than 3.5 times EBITDA. After that date, and at every financial reporting date, the net debt must be less than 3 times EBITDA.

There are also a number of standard legal covenants.

These ratios had been met as of December 31, 2015.

Early redemption is possible at the initiative of Ingenico, or of the lenders in certain usual circumstances.

4) Bank overdrafts

Bank overdrafts totalled €20.0 million, of which €19.7 million were primarily attributed to Ingenico Payment Services GmbH.

5) Finance lease obligations

At December 31, 2015, finance lease obligations (€1.2 million) mainly involved Ingenico Italia SpA.

Maturities of financial liabilities

	2015			
(in thousands of euros)	Carrying amount	Less than 1 year	1 to 5 years	More than 5 years
"OCEANE" convertible bond issue	427,757	-	-	427,757
Bond issue	456,773	-	-	456,773
Bank borrowings	(3,008)	-	(3,008)	-
Finance lease obligations	1,199	679	520	-
Bank overdrafts	19,980	19,980	-	-
Other financial liabilities	263,753	260,779	2,974	-
Accrued interest on borrowings	5,484	5,484	-	-
TOTAL FINANCIAL BORROWINGS AND DEBT	**1,171,938**	**286,922**	**486**	**884,530**

	2014			
(in thousands of euros)	Carrying amount	Less than 1 year	1 to 5 years	More than 5 years
"OCEANE" convertible bond issue	111,628	111,628	-	-
Bond issue	456,702	-	-	456,702
Bank borrowings	595,384	20,000	575,384	-
Finance lease obligations	1,578	751	827	-
Bank overdrafts	14,607	14,607	-	-
Other financial liabilities	4,732	1,521	3,211	-
Accrued interest on borrowings	5,953	5,953	-	-
TOTAL FINANCIAL BORROWINGS AND DEBT	**1,190,584**	**154,460**	**579,422**	**456,702**

Breakdown by currency

(in thousands of euros)	2015	2014
Euro	1,171,662	1,190,167
US Dollar	276	328
Other currencies	-	89
TOTAL FINANCIAL BORROWINGS AND DEBT	**1,171,938**	**1,190,584**

Change in financial borrowings and debt

BALANCE AT DECEMBER 31, 2013	**648,488**
New borrowings	1,042,810
Repayments	(388,524)
Bond conversions	(122,731)
Capitalized interest	10,567
Net change on drawdowns of lines of credit	(8,416)
Change in fair value	8,947
Interest accrued but not due	(928)
Changes in consolidation scope	310
Other movements	61
BALANCE AT DECEMBER 31, 2014	**1,190,584**
New borrowings	682,230
Repayments	(600,689)
Bond conversions	(111,628)
Capitalized interest	7,864
Net change on drawdowns of lines of credit	5,335
Change in fair value	(445)
Changes in consolidation scope	-
Other movements	(1,313)
BALANCE AT DECEMBER 31, 2015	**1,171,938**

2015

In 2015, the Group:

- issued a convertible bond (OCEANE) for €495.9 million, net of issuance costs. As explained above, the portion of the loan reclassified in equity amounted to €73.3 million;
- issued/redeemed commercial papaers worth €259.5 million net;
- repaid the syndicated credit line (€100 million) and the syndicated loan (€500 million) taken out in 2014.

Conversions of OCEANE bonds issued in 2011 reduced debt by €111.6 million.

Capitalized interest relates to the bond issue, the convertible bond issue, and bank loans.

Changes in fair value relate to the recognition of the bond issued in 2014.

2014

In 2014, the Group:

- repaid €157.5 million (repayable tranche) of the 2011 syndicated credit facility, including €140 million (tranche repayable in full) and €49.5 million (revolving tranche);
- issued €450 million bond;
- signed a new €600 million bank loan.

Conversions of OCEANE bonds reduced debt by €122.7 million.

Capitalized interest relates to the bond issue, the convertible bond issue, and the bank loans described above.

Changes in fair value relate to the recognition of the bond issued in 2014.

Undrawn credit facilities as of December 31, 2015

The Group has undrawn loan facilities totaling €500 million.

c. Derivative financial instruments

Derivative financial instruments

The Group uses derivative financial instruments to hedge its foreign exchange and interest rate exposure arising from its operating, financing and investing activities. Those instruments are initially measured at fair value, *i.e.* the price that would be received when selling an asset or paid when transferring a liability in an orderly transaction between market participants at the measurement date.

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the reporting date, taking into account current interest rates and the risk of default by the counterparty to the swap.

The fair value of forward exchange contracts is their quoted market price at the reporting date, *i.e.* the present value of the quoted forward price.

Initial recognition of foreign exchange and interest-rate hedging instruments and subsequent accounting for changes in their value are carried out in accordance with IAS 39.

In accordance with IFRS 13, which came into effect on January 1, 2013, the Group takes default risk into account in measuring its hedging derivatives. That involves the following:

- the risk of default by the Group on a derivative that is a liability (own credit risk);
- the risk of counterparty default on a derivative that is an asset (counterparty credit risk).

The Group's method for assessing own and counterparty credit risk is based on a calculation of the implied credit risk on senior fixed-rate bonds traded in the secondary market.

Cash flow hedges

When a derivative financial instrument is designated as a hedging instrument whose cash flows are expected to offset changes in the cash flows of a highly probable forecast transaction, the Group uses hedge accounting. The effective portion of any gain or loss on the hedging instrument is recognized directly in "Other comprehensive income" until the hedged item itself is recognized in profit or loss. The effective portion is then recognized in profit or loss. The ineffective portion of any gain or loss is recognized in "Net finance costs" for the period.

If a hedging instrument is used to hedge risk arising from the Group's operating activities, its impact on profit or loss is reported in "Profit from operating activities". If such an instrument is used to hedge risk arising from the Group's financing activities, its impact on profit or loss is reported in "Net finance costs".

Fair value hedges

If a derivative financial instrument is used to hedge the foreign currency risk on a recognized monetary asset or liability, hedge accounting is not applied and the gains or losses on the financial instrument are recognized in profit or loss.

If a hedging instrument is used to hedge risk arising from the Group's operating activities, its impact on profit or loss is reported in "Profit from operating activities". If such an instrument is used to hedge risk arising from the Group's financing activities, its impact on profit or loss is reported in "Net finance costs".

Fair value of derivative instruments at the reporting date

(in thousands of euros)	2015	2014
Interest rate derivative instruments		
Current assets	9,225	9,681
Current liabilities	(496)	(1,973)
Foreign exchange derivative instruments		
Current assets	1,262	1,252
Current liabilities	(990)	(1,628)
TOTAL	**9,001**	**7,332**

Breakdown of instruments by hedging policy

(in thousands of euros)	Balance at December 31, 2015	Balance at January 1, 2015		
	Fair value of the derivative financial instruments	Fair value of the derivative financial instruments	Variation through net income	Variation through equity
Instruments designated as cash flow hedges				
Foreign exchange forward contracts	(155)	161	17	23
Foreign exchange options	-	48	(489)	(441)
Instruments not designated as cash flow hedges				
Foreign exchange forward contracts	174	(139)	-	35
Foreign exchange swaps	(395)	1,050	-	655
Interest rate swaps	7,708	1,021	-	8,729
TOTAL	**7,332**	**2,141**	**(472)**	**9,001**

(in thousands of euros)	Balance at December 31, 2014	Balance at January 1, 2014		
	Fair value of the derivative financial instruments	Fair value of the derivative financial instruments	Variation through net income	Variation through equity
Instruments designated as cash flow hedges				
Foreign exchange forward contracts	349	41	(545)	(155)
Interest rate swaps	(3,414)	-	3,414	-
Instruments not designated as cash flow hedges				
Foreign exchange forward contracts	(317)	491	-	174
Foreign exchange swaps	175	(570)	-	(395)
Interest rate swaps	-	7,708	-	7,708
TOTAL	**(3,207)**	**7,670**	**2,869**	**7,332**

Changes in the fair value of ineffective hedging instruments or the ineffective portions of effective hedging instruments are directly recognized in net financial income and expenses. For foreign exchange hedges, they mainly reflect the effect of interest rate differentials between the currency of the hedged items and the euro.

In 2014, the Group put in place an interest rate swap for 50% of the nominal value of the bond issued in 2014, or €225 million, with a 7-year life. This swap turns part of the Group's fixed-rate exposure into variable-rate exposure. This hedge is recognized as a fair value hedge, changes in the fair value of the derivative are recognized in profit and loss, as are changes in the fair value of its underlying asset.

Also in 2014, the Group repaid bank loans with an embedded interest rate swap, classified as a cash-flow hedge. In the absence of underlying liabilities, this hedge was no longer considered effective and lost its classification as a cash flow hedge.

The Group's derivatives contracts contain compensation clauses for each bank. In accordance with IFRS 7, a presentation of derivative assets and liabilities that includes such compensations would be as follows:

(in thousands of euros)	2015		
	Gross amounts in the balance sheet	Impact of compensation	Net amounts
FV of derivative financial instruments (assets)	10,487	(844)	9,643
FV of derivative financial instruments (liabilities)	(1,486)	844	(642)
NET POSITION	**9,001**	**-**	**9,001**

(in thousands of euros)	2014		
	Gross amounts in the balance sheet	Impact of compensation	Net amounts
FV of derivative financial instruments (assets)	10,933	(2,214)	8,718
FV of derivative financial instruments (liabilities)	(3,601)	2,214	(1,387)
NET POSITION	**7,332**	**-**	**7,332**

d. Financial assets and liabilities classified by accounting category

Asset and liability categories *(in thousands of euros)*	2015						
	Assets/ liabilities measured at fair value through profit or loss	Loans and receivables	Liabilities at amortized cost	Assets & liabilities measured at fair value through equity	Derivative financial instruments designated for future cash flow hedges	Total net carrying amount	Fair value of the asset or liability category
Financial assets	-	7,154	-	4,096	-	11,250	11,250
Trade and other current receivables	-	442,253	-	7,983	-	450,236	450,236
Derivative financial instruments	10,198	-	-	-	289	10,487	10,487
Receivables related to intermediation activities	-	10,308	-	-	-	10,308	10,308
Other non-current assets	-	27,143	-	-	-	27,143	27,143
Funds related to intermediation activities	256,159	-	-	-	-	256,159	256,159
Cash and cash equivalents	919,882	-	-	-	-	919,882	919,882
TOTAL FINANCIAL ASSETS	**1,186,239**	**486,858**	**-**	**12,079**	**289**	**1,685,465**	**1,685,465**
Convertible bond issue (OCEANE) (1)	-	-	427,757	-	-	427,757	541,853
Bond issue	-	-	456,773	-	-	456,773	453,825
Long-term loans	-	-	486	-	-	486	486
Other non-current liabilities	-	-	28,449	58,726	-	87,175	87,175
Short-term borrowings	-	-	286,922	-	-	286,922	286,922
Trade payables and other current liabilities	-	-	436,080	6,764	-	442,844	442,844
Payables related to intermediation activities	-	-	266,467	-	-	266,467	266,467
Derivative financial instruments	779	-	-	-	707	1,486	1,486
TOTAL FINANCIAL LIABILITIES	**779**	**-**	**1,902,934**	**65,490**	**707**	**1,969,910**	**2,081,058**

(1) The fair value of the OCEANE convertible bond encompasses both its liability component and its equity component.

	2014						
Asset and liability categories *(in thousands of euros)*	**Assets/ liabilities measured at fair value through profit or loss**	**Loans and recei-vables**	**Liabilities at amor-tized cost**	**Assets & liabilities measured at fair value through equity**	**Derivative financial instruments designated for future cash flow hedges**	**Total net carrying amount**	**Fair value of the asset or liability category**
Financial assets	-	6,938	-	-	-	6,938	6,938
Trade and other current receivables	-	419,575	-	-	-	419,575	419,575
Derivative financial instruments	10,841	-	-	-	92	10,933	10,933
Receivables related to intermediation activities		1,943	-	-	-	1,943	1,943
Other non-current assets	-	25,419	-	-	-	25,419	25,419
Funds related to intermediation activities	308,225					308,225	308,225
Cash and cash equivalents	426,393		-	-	-	426,393	426,393
TOTAL FINANCIAL ASSETS	**745,459**	**453,875**	**-**	**-**	**92**	**1,199,426**	**1,199,426**
Convertible bond issue (OCEANE) [1]	-	-	111,628	-	-	111,628	279,561
Bond issue	-	-	456,702	-	-	456,702	468,360
Long-term loans	-	-	579,422	-	-	579,422	579,422
Other non-current liabilities	-	-	25,679	6,065	-	31,744	31,744
Short-term borrowings	-	-	42,832	-	-	42,832	42,832
Trade payables and other current liabilities	3,653	-	407,008	-	-	410,661	410,661
Payables related to intermediation activities		-	310,168	-	-	310,168	310,168
Derivative financial instruments	3,354	-	-	-	247	3,601	3,601
TOTAL FINANCIAL LIABILITIES	**7,007**	**-**	**1,933,439**	**6,065**	**247**	**1,946,758**	**2,126,349**

(1) The fair value of the OCEANE convertible bond encompasses both its liability component and its equity component.

The fair value of bonds and convertible bonds corresponds to the product of the number of bonds outstanding times their quoted price on December 31, 2015.

Fair value hierarchy

The objective criteria used for analyzing financial instruments by valuation method are based on the definition of fair value levels under IFRS 13.

The asset and liability categories carried at fair value subsequent to their initial recognition are:

- assets and liabilities measured at fair value through profit or loss and equity;
- available-for-sale assets;
- derivative financial instruments designated as cash flow hedges.

The fair value hierarchy is as follows:

- inputs used are (non-adjusted) quoted market prices in active markets for identical assets or liabilities (Level 1);
- inputs used are inputs other than quoted market prices, as in Level 1, that are observable either directly, by reference to market prices for similar assets and liabilities, or indirectly, by reference to inputs derived from quoted markets prices (Level 2);
- valuation techniques based on unobservable inputs are used (Level 3).

These assets and liabilities can correspond to any of the three levels of fair value set out in the tables below for 2015 and 2014.

The Group did not make any transfers between levels from 2014 to 2015.

	2015			
(in thousands of euros)	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets	11,250	-	7,154	4,096
Other current assets	7,983	-	-	7,983
Derivative financial instruments (1)	10,487	-	10,487	-
Funds related to intermediation activities	256,159	256,159	-	-
Cash and cash equivalents	919,882	919,882	-	-
TOTAL FINANCIAL ASSETS	**1,205,761**	**1,176,041**	**17,641**	**12,079**
OCEANE bonds	541,853	541,853	-	-
Bond issue	453,825	453,825	-	-
Long-term loans	486	-	486	-
Other non-current liabilities	58,726	-	-	58,726
Short-term borrowings	286,922	-	286,922	-
Other current liabilities	6,764	-	-	6,764
Derivative financial instruments (1)	1,486	-	1,486	-
TOTAL FINANCIAL LIABILITIES	**1,350,062**	**995,678**	**288,894**	**65,490**

(1) Derivative financial instruments are assets and liabilities, measured at fair value through profit or loss, or designated cash flow hedges.

Financial assets and liabilities in Level 2 are recognized according to their category: derivative financial instruments are measured at fair value; borrowings at amortized cost; and all other assets and liabilities at contract value.

Other Level 3 current assets include the valuation of Visa Europe shares held by the Group (see Note 5.f. "Current and non-current assets").

Other Level 3 non-current liabilities include a put option liability in relation to the non-controlling shareholders of Ingenico Holding Asia Ltd. These two shareholders hold 20% and 1.16%, respectively, of the Company's share capital and a put option on all of their shares in the Group. These liabilities are recorded at fair value.

	2014			
(in thousands of euros)	Total	Level 1	Level 2	Level 3
Financial assets	6,938	-	6,938	-
Derivative financial instruments (1)	10,933	-	10,933	-
Funds related to intermediation activities	308,225	308,225		
Cash and cash equivalents	426,393	426,393	-	-
TOTAL FINANCIAL ASSETS	**752,489**	**734,618**	**17,871**	**-**
OCEANE bonds	279,561	279,561	-	-
Bond issue	468,360	468,360	-	-
Long-term loans	579,422	-	579,422	-
Other non-current liabilities	6,065	-	-	6,065
Short-term loans	42,832	-	42,832	-
Other current liabilities	3,653	-		3,653
Derivative financial instruments (1)	3,601	-	3,601	-
TOTAL FINANCIAL LIABILITIES	**1,383,494**	**747,921**	**625,855**	**9,718**

(1) Derivative financial instruments are assets and liabilities, measured at fair value through profit or loss, or designated cash flow hedges.

In 2014, other Level 3 current liabilities also included an earn-out liability on the acquisition of Ingenico Systems LLC, which was measured on the basis of discounted future cash flow, as provided for in the Group's agreement with the entity's sellers.

Also in 2014, other non-current liabilities included a liability in relation to the minority shareholder of Ingenico Holding Asia Ltd. The latter held a 1.16% of the Company's share capital and a put option on all of their shares in the Group. This liability was recognized at fair value.

e. Financial risk management

Liquidity and counterparty risk

Liquidity risk is managed at Group level by the Treasury Department. This centralized approach makes it possible to use cash surpluses generated in one part of the Group to cover cash needs elsewhere before having to raise funds in the financial market.

The Group's financing policy is always to have sufficient liquidity available to meet the Group's investing and working capital requirements, while maintaining a satisfactory relationship between its assets and resources in terms of maturities, currencies and interest rates.

Financial assets as of December 31, 2015

Counterparty risk is the risk of financial loss for the Group arising from failure by one of its customers or counterparties to a financial instrument to meet its contractual obligations. This risk could arise principally from trade receivables, investments and bank counterparties.

The carrying amount of the Group's financial assets at the end of the period represents the Group's maximum exposure to credit risk. The Group's maximum exposure as of December 31, 2015 was as follows:

(in thousands of euros)	2015	2014
Cash and cash equivalents	919,882	426,393
Funds related to intermediation activities	256,159	308,225
Financial assets	11,250	6,938
Trade receivables on the sales of goods and services	401,092	381,244
Finance lease receivables	50,286	46,480
Other operating receivables	15,141	14,790
Receivables related to intermediation activities	10,308	1,943
Other current assets	10,046	2,312
Other non-current assets	814	168
Derivative financial instruments (assets)	10,487	10,933
TOTAL	**1,685,465**	**1,199,426**

To manage counterparty risk with respect to trade receivables, an impairment loss may be recognized for the entire amount or for a part of the amount of said receivables, reflecting the probability of collection.

Credit risk is monitored at Group level by Group Credit Management. The Group tracks terms of payment at its subsidiaries on a monthly basis and recognizes a provision for any receivables it considers fully or partially uncollectible. To protect against credit risk and reduce its exposure to non-payment, the Group determines the credit risk for each customer, and fixes specific credit limits and payment terms. The Group requires adequate guarantees in sensitive countries, for example in the form of letters of credit, with French banks acting as advising or even confirming banks.

Further information on trade receivables and their impairment can be found in Note 5.e. "Trade and related receivables".

The growth of transaction services, particularly the acquisition business, exposes the Group to counterparty risk. If a merchant defaults and is unable to meet its service obligations to end customers, the Group might be required to reimburse those customers for certain payments to the merchant, with no guarantee of recovery from the latter.

The Group has developed a methodology for detailed analysis of the risks associated with each type of service it offers in order to improve risk monitoring and be able, if necessary, to calibrate the guarantees demanded of counterparties more effectively. The primary purpose of this approach is to limit the impact of counterparty risk on the Group.

Lastly, as part of its online payment services, the Group, primarily through GlobalCollect Services, acquired in 2014, and Ingenico Payment Services GmbH, provides intermediation services between buyers, credit card issuers, and merchants. Funds held on behalf of merchants correspond to the cash surpluses that the Group holds when the amounts received from credit card issuers in respect of purchases made precede the obligation to pay the merchants. Deposits are also made by merchants at the start, or during the course, of the client relationship with the Group.

At GlobalCollect Services, all funds received on behalf of merchants or entrusted to the Group are isolated in a Dutch foundation that ring-fences them and protects buyers from any insolvency of GlobalCollect Services. Through this mechanism, registered and supervised by the Dutch central bank, the funds may not, under any circumstances, be distributed to founders and are only available for payment to merchants, after being invested if possible in zero- or low-risk financial products for which there is contractual accrual of interest to the Group.

It should also be noted that, on the one hand, the payment cycle for these activities is short term, as credit card issuers or consumers remit funds to the Group and the Group pays merchants within a period of no more than two weeks, and that on the other hand, almost all amounts are collected from credit card issuers and consumers prior to the obligation to pay merchants, which thus entails the recognition of funds collected as assets (receivables associated with intermediation activities and funds associated with intermediation activities), counterbalanced by an equivalent debt included in liabilities (payables associated with intermediation activities) (see Note 5.j., “Funds, receivables and payables associated with intermediation activities”).

Financial liabilities as of December 31, 2015

The Group’s ability to service its debt depends on its business performance and on its capacity to generate adequate cash from operations.

If future cash flow proves to be insufficient, the Group might be obliged to:

- issue debt securities or new shares;
- restructure or refinance all or part of its debt;
- reduce or delay new investments;
- dispose of assets.

The Group has performed a specific review of its liquidity risk, and has concluded that it can repay its debt as it falls due. In particular, the Group believes that its future cash flows will be adequate to meet its debt repayment commitments and financing requirements.

It should be noted that the Group:

- is able to generate significant cash flows for its investing requirements (see Consolidated cash flow statements);
- has unused bilateral loan facilities totaling €500 million;
- had net debt of €252.1 million as of December 31, 2015 and debt ratios low enough to keep its borrowing capacity unchanged.

The maturities of the Group’s financial liabilities as of December 31, 2015 were as follows:

	2015				
(in thousands of euros)	Carrying amount	Contractual cash flow	Less than 1 year	1 to 5 years	More than 5 years
Non-derivative financial liabilities					
Convertible bond issue	427,757	500,000	-	-	500,000
Bond issue	456,773	517,500	11,250	45,000	461,250
Bank borrowings	(3,008)	-	-	-	-
Finance lease obligations	1,199	1,199	679	520	-
Bank overdrafts	19,980	19,980	19,980	-	-
Other financial liabilities	263,753	263,753	260,779	2,974	-
Interest accrued but not due	5,484	5,484	5,484	-	-
Trade payables and other current liabilities	442,844	442,844	442,844	-	-
Payables related to intermediation activities	266,467	266,467	266,467	-	-
Other non-current liabilities	87,175	87,175	-	87,175	-
TOTAL	**1,968,424**	**2,104,402**	**1,007,483**	**135,669**	**961,250**
Derivative financial liabilities					
Exchange rate instruments	990	990	990	-	-
Interest rate instruments	496	496	496	-	-
TOTAL	**1,486**	**1,486**	**1,486**	**-**	**-**

The Group believes it has only limited exposure to bank counterparty risk, because its banks are of premium standing and have the highest credit ratings.

The Group’s financial liabilities and their maturities are described in Note 9.b. “Net debt”.

The maturities of the Group's financial liabilities as of December 31, 2014 were as follows:

	2014				
(in thousands of euros)	Carrying amount	Contractual cash flow	Less than 1 year	1 to 5 years	More than 5 years
Non-derivative financial liabilities					
Convertible bond issue	111,628	243	243	-	-
Bond issue	456,702	528,750	11,250	45,000	472,500
Bank borrowings	595,384	635,430	28,061	607,368	-
Finance lease obligations	1,578	1,578	751	827	-
Bank overdrafts	14,608	14,608	14,608	-	-
Other financial liabilities	4,732	4,732	1,521	3,211	-
Interest accrued but not due	5,953	5,953	5,953		
Trade payables and other current liabilities	410,661	410,661	410,661	-	-
Payables related to intermediation activities	310,168	310,168	310,168	-	-
Other non-current liabilities	31,744	31,744	-	31,744	-
TOTAL	**1,943,158**	**1,943,867**	**783,216**	**688,150**	**472,500**
Derivative financial liabilities					
Exchange rate instruments	1,628	1,628	1,628	-	-
Interest rate instruments	1,973	1,973	1,973	-	-
TOTAL	**3,601**	**3,601**	**3,601**	**-**	**-**

Market risk

Foreign exchange risk

A large share of Ingenico's revenue and expenses is denominated in foreign currencies. The Group is therefore exposed to foreign exchange risk arising from purchases from payment terminal suppliers and on transactions between subsidiaries and the parent company. The main currencies in which that exposure is significant are the US dollar (USD), the British pound (GBP), the Canadian dollar (CAD) and the Australian dollar (AUD).

Foreign-currency denominated purchases and sales for which there is no "natural" hedge may be covered by a hedge instrument.

The Group uses financial instruments such as swaps, forward purchase and sale contracts, or exchange options. Monitoring foreign exchange risk is the responsibility of the Treasury Department, which reports to the Chief Financial Officer. In addition, the Group uses specialized software that allows it to track its mark-to-market positions on a daily basis.

The foreign exchange rates used by the Group at December 31, 2015 are as follows:

Closing rate	2015	2014
US Dollar	1.0887	1.2141
Canadian dollar	1.5116	1.4063
Australian dollar	1.4897	1.4829
Pound sterling	0.7340	0.7789
Brazilian real	4.3117	3.2207
Chinese yuan	7.0608	7.5358

Average rate	2015	2014
US Dollar	1.1096	1.3288
Canadian dollar	1.4176	1.4669
Australian dollar	1.4765	1.4724
Pound sterling	0.7260	0.8064
Brazilian real	3.6916	3.1228
Chinese yuan	6.9730	8.1883

Sensitivity to foreign exchange risk

	2015				
(in thousands of foreign currencies)	US Dollar	Pound sterling	Yen	Canadian dollar	Australian dollar
Trade receivables	204,956	23,954	37,757	8,086	25,210
Trade payables	(184,278)	(14,513)	(786)	(11,607)	(9,105)
Gross balance sheet exposure	**20,678**	**9,441**	**36,971**	**(3,521)**	**16,105**
Estimated forecast sales	458,703	60,781	541,743	30,044	46,381
Estimated forecast purchases	(389,222)	(16,944)	-	-	-
Gross exposure	**90,159**	**53,278**	**578,714**	**26,523**	**62,486**
Foreign exchange derivative instruments	-	-	-	-	-
Forward purchases	11,300	-	-	361	-
Forward sales	(13,200)	(8,482)	(541,743)	(5,974)	(7,600)
Options	-	-	-	-	-
Net exposure	**88,259**	**44,796**	**36,971**	**20,910**	**54,886**

	2014				
(in thousands of foreign currencies)	US Dollar	Pound sterling	Yen	Canadian dollar	Australian dollar
Trade receivables	174,994	29,570	13,477	10,448	15,458
Trade payables	(177,804)	(16,571)	(534)	(11,999)	(4,329)
Gross balance sheet exposure	**(2,810)**	**12,999**	**12,943**	**(1,551)**	**11,129**
Estimated forecast sales	395,492	56,783	555,000	41,524	27,976
Estimated forecast purchases	(342,031)	(23,750)	-	-	-
Gross exposure	**50,651**	**46,032**	**567,943**	**39,973**	**39,105**
Foreign exchange derivative instruments					
Forward purchases	26,300	-	-	463	-
Forward sales	(4,791)	(19,146)	(555,000)	(14,600)	(2,297)
Options	-	-	-	-	-
Net exposure	**72,160**	**26,886**	**12,943**	**25,836**	**36,808**

	2015			
	Impact on profit or loss	Impact on reserves for change in fair value	Impact on profit or loss	Impact on reserves for change in fair value
(in thousands of euros)	10% appreciation of the euro in relation to foreign currencies		10% appreciation of foreign currency in relation to the euro	
USD	(17,114)	-	20,918	-
GBP	(2,967)	-	3,626	-
CAD	(486)	-	594	-
AUD	(1,538)	-	1,880	-
Trade receivables	**(22,105)**	**-**	**27,018**	**-**
USD	15,388	-	(18,807)	-
GBP	1,798	-	(2,197)	-
CAD	698	-	(853)	-
AUD	556	-	(679)	-
Trade payables	**18,440**	**-**	**(22,536)**	**-**
USD	4,236	-	(3,393)	-
GBP	2,894	-	(2,392)	-
CAD	(894)	-	891	-
AUD	(167)	-	205	-
Derivative financial instruments	**6,069**	**-**	**(4,689)**	**-**
TOTAL	**2,404**	**-**	**(207)**	**-**

	2014			
	Impact on profit or loss	Impact on reserves for change in fair value	Impact on profit or loss	Impact on reserves for change in fair value
(in thousands of euros)	10% appreciation of the euro in relation to foreign currencies		10% appreciation of foreign currency in relation to the euro	
USD	(13,103)	-	16,015	-
GBP	(3,451)	-	4,218	-
CAD	(675)	-	825	-
AUD	(948)	-	1,158	-
Trade receivables	**(18,177)**	**-**	**22,216**	**-**
USD	13,314	-	(16,272)	-
GBP	1,934	-	(2,364)	-
CAD	776	-	(948)	-
AUD	265	-	(324)	-
Trade payables	**16,289**	**-**	**(19,908)**	**-**
USD	2,145	-	(1,398)	-
GBP	(1,119)	(1,777)	578	1,433
CAD	(403)	(658)	423	523
AUD	(104)	-	205	-
Derivative financial instruments	**519**	**(2,435)**	**(192)**	**1,956**
TOTAL	**(1,369)**	**(2,435)**	**2,116**	**1,956**

The above table shows the impact of a 10 percent appreciation or depreciation of the euro against the other currencies on the Group's trade receivables, trade payables and derivative financial hedging instruments. It also shows how those changes would impact the balance sheet and income statement.

Interest rate risk

Interest rate risk is managed at Group level by the Treasury Department. The Group's hedging policy reflects a concern for both security and optimal resource cost management. Based on the trends expected in consolidated debt (new borrowings and repayments) and in interest rates, the Group sets targets for the mix between fixed-rate and variable-rate debt.

Senior management regularly reviews these targets and resets them for upcoming periods after conferring with the Audit and Finance Committee. The targets are subsequently implemented by the Treasury Department. Interest rate swaps are the main instruments used.

In 2014, the Group put in place an interest rate swap for 50% of the nominal value of the bond issued in 2014, or €225 million, with a 7-year life. This swap turns the Group's fixed-rate exposure into variable-rate exposure.

(in thousands of euros)	2015	2014
Convertible bond issue	427,757	111,628
Bond issue	456,773	456,702
Bank borrowings	(3,008)	-
Finance lease obligations	1,199	1,578
Other financial liabilities	263,753	4,732
Fixed-rate financial liabilities	**1,146,474**	**574,640**
Bank borrowings	-	595,385
Bank overdrafts	19,980	14,608
Interest rate swaps	(8,735)	(7,708)
Other financial liabilities	-	-
Marketable securities and short-term deposits	(295,081)	(67,075)
Variable-rate financial liabilities (assets)	**(283,836)**	**535,210**

Sensitivity to interest rate risk

A decrease of 50 basis points in the 1-month and 3-month Euribor would have reduced profit by €0.2 million and had an immaterial impact on equity.

An increase of 50 basis points in the 1-month and 3-month Euribor would have increased profit by €0.2 million and had an immaterial impact on equity.

NOTE 10 Income tax

Income tax

Income tax is recognized in the income statement except to the extent that it relates to a business combination or to items recognized directly in "Equity" or in "Other comprehensive income", in which case it is also recognized respectively in "Equity" or "Other comprehensive income".

Current tax is (i) the expected tax payable on taxable income for the period, using tax rates enacted or substantively enacted at the reporting date; (ii) any adjustment to the amount of current tax payable in respect of previous periods and (iii) all other taxes calculated on a net amount of revenue and expenses.

Deferred tax is recognized for all temporary differences between the carrying amounts of assets and liabilities and their tax bases. No deferred tax is recognized for the following: (i) Taxable temporary differences arising on initial recognition of goodwill, (ii) temporary differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future and (iii) the initial recognition of an asset or liability in a transaction which is not a business combination, which affects neither the accounting nor the taxable result. The measurement of deferred tax assets and liabilities depends on the manner in which the Group expects to recover or settle the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available to the Group against which it can be utilized. This assessment is made principally on the basis of the following criteria:

- realization of taxable profits before the expiry of tax losses;
- existence of sufficient temporary differences in the same tax jurisdiction and taxable entity which will result in taxable income against which the tax losses carried forward may be utilized;
- non-recurring nature of the reasons for the existence of the tax losses.

Deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable profits will be available.

Business research and development tax credits

The method used to account for research and development tax credits depends on the tax treatment that applies to them in the various countries:

- if the tax credit is calculated solely on the amount of research and development expenditure, if it does not affect the calculation of taxable income for a subsidiary, if it is not limited by that subsidiary's tax liability and if it can be received in cash, it meets the definition of a government grant given in IAS 20, Accounting for Government Grants and Disclosure of Government Assistance, and is recognized in "Profit from operating activities";
- otherwise, it is recognized as a reduction of corporate income tax.

Recent tax regulations in France

The Group classifies the CVAE tax as income tax.

a. Income tax expense

(in thousands of euros)	2015	2014
Current income tax France	(78,544)	(67,077)
Current income tax foreign	(58,236)	(34,350)
Current income tax	**(136,780)**	**(101,427)**
Deferred income tax France	(3,721)	9,574
Deferred income tax foreign	15,655	11,182
Deferred income tax	**11,934**	**20,756**
TOTAL	**(124,846)**	**(80,671)**

In 2015, income tax expense for the period consisted primarily of:

- current tax payable in France, the United States, the United Kingdom, the Netherlands and China;
- the credit to deferred tax expense from the recognition of deferred tax assets – mainly in France, Brazil, the United States and the Netherlands – to account for temporary differences between the carrying amounts of assets and liabilities and their tax bases.

In 2014, income tax expense for the period consisted primarily of:

- current tax payable in France, China, the United Kingdom, the Netherlands and Russia;
- the credit to deferred tax expense from the recognition of deferred tax assets – mainly in France, the United States and Belgium – to account for temporary differences between the carrying amounts of assets and liabilities and their tax bases.

The current tax payable by the Group increased significantly in 2015, mainly reflecting the profit growth in France and the United States.

In accordance with Article 235 ter ZCA of the French Tax Code, the Group paid an additional tax of €0.9 million (€0.6 million in 2014) equal to 3% of the amount distributed, on dividend distributions to Ingenico Group SA shareholders other than stock dividends.

b. Group tax reconciliation

In accordance with the provisions of the 2015 Finance Act, the current tax rate for French companies in the Group is now 38% in respect of 2015. As of December 31, 2015, the deferred tax rate in France was 34.43%. Indeed, from 2016, the applicable income tax rate in France is 34.43%.

The following table shows a reconciliation of the theoretical tax expense calculated at the applicable rate and the recognized income tax expense.

(in thousands of euros)	2015	2014
Profit before income tax (excl. share of profits in equity-accounted investees)	**362,173**	**253,733**
Tax rate in France	38.00%	38.00%
Theoretical tax expense	**(137,625)**	**(96,419)**
Difference between the French tax rate and that of foreign subsidiaries	26,619	25,553
Tax losses and temporary differences for the period not recognized as deferred tax assets	(4,580)	(6,206)
Prior period temporary differences and tax losses recognized as deferred tax assets in the period	861	5,450
Use of prior period tax losses not recognized as deferred tax assets	396	1,176
Tax credits	3,249	2,710
Effect of permanent differences and other	(13,766)	(12,935)
TOTAL	**(124,846)**	**(80,671)**
Effective tax rate	34.5%	31.8%

The reconciling items reflect the effect of tax rate differentials and changes as well as the tax effects of non-taxable income or non-deductible expenses arising from permanent differences between local tax bases and the financial statements presented under IFRS.

In 2015, permanent differences and other differences included:

- the impact of the French QPFC and withholding taxes related to dividends received from subsidiaries by Ingenico Group SA;
- the impact of the additional tax on dividend payments made in France;
- the effect of classifying the French CVAE tax as an income tax;
- the non-deductibility of the payroll expense arising from the award of stock options and free shares;
- canges in temporary differences previously recognized as deferred tax assets.

Other permanent differences in 2014 included:

- tax deductibility of a loss on liquidation of a foreign subsidiary;
- the impact of the additional tax on dividend payments made in France;
- the effect of classifying the French CVAE tax as an income tax;
- the non-deductibility of the payroll expense arising from the award of stock options and free shares;
- changes in temporary differences previously recognized as deferred tax assets.

C. Deferred taxes

Change in deferred tax assets and liabilities

(in thousands of euros)	Deferred tax assets from tax losses	Deferred tax assets from temporary differences	Total deferred tax assets	Total deferred tax liabilities	Total deferred tax, net
At December 31, 2013	**6,923**	**27,199**	**34,123**	**(48,507)**	**(14,384)**
Deferred tax recognized in profit or loss	2,085	(737)	1,348	19,408	20,756
Deferred tax recognized in "Equity" and "Business combinations"	18	3,504	3,522	(90,646)	(87,124)
Translation differences	453	1,441	1,894	722	2,616
Other movements	897	(971)	(75)	85	11
At December 31, 2014	**10,376**	**30,436**	**40,812**	**(118,938)**	**(78,126)**
Deferred tax recognized in profit or loss	(4,175)	12,189	8,014	3,920	11,934
Deferred tax recognized in "Equity" and "Business combinations"	-	325	325	(25,896)	(25,571)
Translation differences	(44)	(227)	(271)	136	(135)
Other movements	-	-	-	(1,706)	(1,706)
At December 31, 2015	**6,157**	**42,723**	**48,880**	**(142,484)**	**(93,604)**

As of December 31, 2015, the change in deferred taxes recognized in equity included the tax liability related to the OCEANE 2015 issue premium amounting to €25.2 million.

As of December 31, 2014, the change in deferred taxes recognized on business combinations included a €90.7 million deferred tax liability resulting from the allocation of the acquisition price for the GlobalCollect Group.

In 2014, the change in deferred taxes recognized in equity included a €1.0 million decrease in deferred tax liabilities related to hedging instruments. Furthermore, the OCEANE conversions generated a net €2.9 million increase in deferred taxes, relating to the equity component of the bond (see Note 9.b. "Net Debt").

Breakdown by type

(in thousands of euros)	2015	2014
Deferred tax assets by type of temporary difference		
Property, plant and equipment and intangible assets	8,627	7,824
Employee benefits	9,042	7,708
Inventories, receivables, payables and provisions	57,780	45,866
Unutilized tax losses and credits	6,157	10,376
Other (including financial instruments)	1,229	688
DEFERRED TAX ASSETS	**82,835**	**72,462**
Netting effect	(33,955)	(31,650)
TOTAL DEFERRED TAX ASSETS	**48,880**	**40,812**
Deferred tax liabilities by type of temporary difference		
Property, plant and equipment and intangible assets	(113,151)	(120,294)
Employee benefits	(284)	(147)
Inventories, receivables, payables and provisions	(62,824)	(29,967)
Other (including financial instruments)	(180)	(180)
DEFERRED TAX LIABILITIES	**(176,439)**	**(150,588)**
Netting effect	33,955	31,650
TOTAL DEFERRED TAX LIABILITIES	**(142,484)**	**(118,938)**
NET TOTAL	**(93,604)**	**(78,125)**

Breakdown of unrecognized deferred tax assets

(in thousands of euros)	2015	2014
Deferred tax from tax losses and tax credits of less than 1 year	-	1,190
Deferred tax from tax losses and tax credits of between 2 and 5 years	1,379	1,594
Deferred tax from tax losses and tax credits of over 5 years	29,176	21,753
Deferred tax from temporary differences	2,416	12,662
TOTAL	**32,971**	**37,199**

d. Current tax payable

As of December 31, 2014, current tax payable in less than one year was composed chiefly of income tax payable on taxable profit at Group subsidiaries.

(in thousands of euros)	2015	2014
France	12,879	16,552
Outside of France	14,726	11,969
TOTAL	**27,605**	**28,521**

NOTE 11 Equity-accounted investees and non-controlling interests

a. Employee profit-sharing within associate companies

(in thousands of euros)	Nanjing ZTE-Ingenico Network Technology Co., Ltd	Fixed & Mobile Pte Ltd	Total
% interest at January 1, 2014	39.54%	30.00%	
% interest at December 31, 2014	39.54%	30.00%	
% interest at December 31, 2015	31.54%	27.30%	
At January 1, 2014	**8,728**	**5,638**	**14,366**
Share of profit or loss	(1,740)	361	(1,379)
Translation differences	171	769	940
Balance at Dec. 31, 2014	**7,159**	**6,768**	**13,927**
Share of profit or loss	(1,073)	732	(341)
Impairment loss	(2,285)	-	(2,285)
Translation differences	-	740	740
Accretion	-	252	252
At December 31, 2015	**3,801**	**8,492**	**12,293**

On December 31, 2015, an impairment loss was recognized on the investment in ZTE.

b. Non-controlling interests

The share of profit or loss attributable to non-controlling shareholders is recognized in equity attributable to non-controlling profit-sharing as is the share of dividends payable to minority shareholders.

Put options (share purchase commitments) on non-controlling interests

Put options over non-controlling interests in Group subsidiaries are initially recognized as a financial liability for the present value of the exercise price, with a corresponding entry in "Equity attributable to Ingenico SA shareholders". The unwinding of the discount to that liability and the effect of any changes in estimates are recognized in "Equity attributable to Ingenico SA shareholders".

The reduction of the Group's interest in its Chinese companies in 2015 led to a corresponding increase in the share of profit or loss attributable to non-controlling interests. This transaction is described in Note 3 "Highlights for the period". As such, the share of profit or loss attributable to non-controlling interests came to €4.4 million at December 31, 2015, against €31 thousands on December 31, 2014.

		At December 31, 2015		Balance at Dec. 31, 2014	
Name of subsidiary	Location	Percentage of capital and voting rights held by non-controlling interests	Profit for the period - Share of non-controlling interests *(in thousands of euros)*	Percentage of share capital and voting rights held by non-controlling interests	Profit for the period - Share of non-controlling interests *(in thousands of euros)*
Ingenico Holdings Asia Ltd	Hong Kong	21.16%	(67)	1.16%	(28)
Fujian Landi Commercial Equipment Co., Ltd	China	21.16%	4,784	1.16%	460
Ingenico Electronic Equipment Co., Ltd	China	21.16%	379	1.16%	4
Nanjing ZTE-Ingenico Network Technology Co., Ltd	Netherlands	8.46%	(710)	0.46%	(20)
Roam Data Inc.	United States	-	-	-	(385)
NON-CONTROLLING INTERESTS			**4,386**		**31**

In 2014, the Group acquired the remaining non-controlling interest in its subsidiary Roam Data Inc. As of December 31, 2014, the subsidiary was wholly-owned by the Group but contributed to the profit or loss of non-controlling interests.

NOTE 12 Equity and earnings per share

Treasury shares

Own shares acquired by Ingenico are classified as treasury shares, and their acquisition cost is deducted from equity.

a. Total equity

Number of outstanding shares

	2015	2014
Issued on January 1	**57,436,781**	**53,086,309**
Shares issued in connection with dividend distributions [(1)]	313,580	398,304
Shares issued in connection with the conversion of OCEANE bonds into shares [(2)]	3,216,566	3,554,336
Shares issued in connection with options exercised and shares acquired	-	397,832
Shares issued in connection with a capital increase reserved for employees	23,673	-
Shares issued at the end of the period	**60,990,600**	**57,436,781**
Treasury shares at the end of the period	276,294	280,794
Shares outstanding at the end of the period	**60,714,306**	**57,155,987**

(1) See section 5.5 "Consolidated statements of changes in equity".
(2) Conversion of 3,169,040 2011-2015 OCEANE bonds.

As of December 31, 2015, Ingenico Group SA's authorized share capital consisted of 60,990,600 shares with a par value of €1.0 each.

Treasury shares

(in euros)	2014	Acquisitions	Divestitures	2015
Number of securities	280,794	571,303	(575,803)	276,294
Average purchase price	25.53	106.56	106.82	25.46
TOTAL	**7,167,308**	**60,877,401**	**(61,010,052)**	**7,034,657**

(in euros)	2013	Acquisitions	Divestitures	2014
Number of securities	280,794	1,686,323	(1,686,323)	280,794
Average purchase price	25.53	71.41	71.41	25.53
TOTAL	**7,167,308**	**120,425,660**	**(120,425,660)**	**7,167,308**

Shares repurchased to be awarded or retired

The portfolio of treasury shares held to be awarded under free share award plans or to reduce the share capital totaled 276,294 shares as of December 31, 2015 at an average purchase price of €25.46. As of December 31, 2014, there were 280,794 treasury shares. As presented in Note 6.b., 4,500 shares were used during the period.

Treasury shares repurchased under the liquidity contract

In 2015, 571,303 shares were repurchased at an average price of €106.56 and 571,303 shares were sold at an average price of €106.82. 4,500 shares were used during the period for free share grants.

In 2014, 1,686,323 shares were repurchased at an average price of €71.41 and 1,686,323 shares were sold at an average price of €71.41.

The Group held no treasury shares under its liquidity contract as of December 31, 2015, unchanged from December 31, 2014.

Employee shareholding

On May 19, 2015, the Group launched a new employee shareholding plan to continue engaging its employees in the Group's future results and performance.

The Ingenico Group's 2015 employee shareholding plan allowed the French employees of the Ingenico Group to subscribe under preferential terms to a reserved capital increase. The subscription price for the new shares was set by the Board of Directors on May 6, 2015 at €85.96 per share. This represented a 20% discount to the average closing price of the Ingenico Group SA share on Euronext Paris over the last 20 trading days before that meeting.

The capital increase was carried out on July 31, 2015.

In accordance with IFRS 2, a payroll expense related to this employee shareholding plan was recorded in "Profit from ordinary activities".

b. Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing the profit for the period attributable to Ingenico Group SA shareholders by the average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Group and held as treasury shares. The average number of ordinary shares is a weighted annual average calculated by adjusting the shares in issue at the beginning of the period for the number of shares bought back or issued during the period, prorated on the basis of the transaction dates.

	2015	2014
Net profit or loss attributable to Ingenico Group SA shareholders ***(in thousands of euros)***	230,315	171,652
Weighted average number of ordinary shares	60,494,391	54,257,111
Basic earnings per share ***(in euros)***	3.81	3.16

Diluted earnings per share

Diluted earnings per share are calculated using the treasury stock method, which

- in the numerator, adjusts the net interest income on bonds convertible to or exchangeable for new or existing shares (OCEANE);
- in the denominator, adds the new shares that are potentially created by dilutive instruments (OCEANE, free shares, and joint investment) to ordinary shares, subtracts the number of shares that could be repurchased on the market with the proceeds from the exercise of the relevant instruments. The market price used is the average exchange rate on shares during the year.

(in thousands of euros)	2015	2014
Net profit or loss attributable to Ingenico Group SA shareholders	**230,315**	**171,652**
Interest expense related to OCEANE convertible bond debt (net of income tax)	3,720	4,542
Diluted net profit or loss attributable to Ingenico Group SA shareholders	**234,035**	**176,194**
Weighted average number of existing shares	**60,494,391**	**54,257,111**
Impact of dilutive instruments:		
• free shares granted	130,266	78,987
• conversion of convertible bonds	1,593,413	5,664,997
Diluted weighted average number of ordinary shares	**62,218,070**	**60,001,095**
Diluted earnings per share ***(in euros)***	**3.76**	**2.94**

NOTE 13 Off-balance sheet commitments

(in thousands of euros)	2015	2014
Commitments received		
Various guarantees	3,106	3,770
Liability warranty as part of the acquisition of an 83.86% interest in Roam Data Inc.: unlimited duration (commitment: USD 700,000).	643	577
Liability warranty as part of Ingeserve Co. Ltd acquisition, expiring on May 21, 2015.	-	unlimited
Liability warranty as part of TNET acquisition: unlimited duration and amount.	unlimited	unlimited
Liability warranty as part of Paycom acquisition. Expiry dates as follows: July 1, 2021 for corporate warranties, December 31, 2015 for tax warranties and July 1, 2013 for other warranties.	12,381	12,381
Liability warranty as part of PT Payment Indonesia acquisition. Total liability warranties amount to USD 4.5 million. Expiry dates as follows:		
• tax: until January 2018;		
• corporate: unlimited duration;		
• other warranties: until July 2014.	4,133	3,706
Liability warranty as part of Ogone acquisition The liability warranty (not including the special warranty) totaled €89.3 million. Expiry dates as follows:	89,325	89,325
• tax until December 31, 2016;		
• corporate: unlimited duration;		
• other warranties until September 2014;		
• an additional special warranty for tax losses on the acquisition of the holding company in Luxembourg, expiring December 31, 2016.	750	750
Liability warranty received as part of GlobalCollect acquisition. The maximum amount of warranties amounted to €20 million and expired on September 30, 2015.	-	20,000
Other commitments received		
As part of the disposal of Fixed & Mobile Pte Ltd, 16,650 shares in the Company were provided to the Group as security for its receivable and the loan granted to the acquirers. The security interest will terminate when both amounts have been paid in full.		

(in thousands of euros)	2015	2014
Commitments given		
Various guarantees	21,485	20,631
Liability warranty as part of Sagem Denmark disposal in 2009:		
• tax warranty valid until expiration of time limit for tax claims (May 2013, except for transfer pricing until January 2016).	20,254	20,254
Liability warranty as part of disposal of 20% of Ingenico Holdings Asia. Total liability warranties amount to USD 26.1 million. Expiry dates as follows:	24,007	-
• standard warranties until October 2016;		
• tax warranties until June 2022;		
• basic warranties valid until expiration of time limit for tax claims.		
Liability warranty as part of the disposal of 12% of Beamm Inc. in November 2015. Unlimited amount and covering the basic warranties until expiration of time limit for tax claims.	unlimited	-
Other commitments given		
The Group has committed to contributing €15 million to an investment fund. Cash calls subscribed are recorded in the balance sheet for a total of €4 million.		

In 2015, the Group had the following commitments in connection with its business activities:

- approximately €111.4 million in firm price orders placed by the Group with its manufacturers as of December 31, 2015;
- future payments under non-cancelable operating leases.

The table below shows future minimum lease payments due at year-end under non-cancelable operating leases.

(in thousands of euros)	2015	2014
Commitments given on non-cancelable leases	97,442	94,950
TOTAL	**97,442**	**94,950**

The following table presents the breakdown by maturity and segment of commitments given by the Group under non-cancelable operating leases as of December 31, 2015:

	2015						
(in thousands of euros)	Central Operations	Europe & Africa	Asia-Pacific & Middle East	North America	Latin America	ePayments	Total
N+1	10,384	4,668	2,357	473	96	5,101	23,079
N+2	8,554	3,730	1,860	484	-	2,358	16,987
N+3	8,303	2,701	493	448	-	2,358	14,303
N+4	8,276	1,312	322	439	-	2,358	12,707
N+5 and following	13,525	8,828	949	3,293	-	3,770	30,365
TOTAL	**49,042**	**21,239**	**5,980**	**5,138**	**96**	**15,946**	**97,442**

The following table presents the breakdown by maturity and segment of commitments given by the Group under non-cancelable operating leases as of December 31, 2014:

	2014 restated						
(in thousands of euros)	Central Operations	Europe & Africa	Asia-Pacific & Middle East	North America	Latin America	ePayments	Total
N+1	8,860	4,649	2,181	402	264	3,601	19,957
N+2	8,124	3,112	1,119	404	-	1,727	14,486
N+3	8,053	2,378	390	310	-	1,169	12,300
N+4	7,877	1,493	17	275	-	1,183	10,845
N+5 and following	22,578	8,996	14	3,398	-	2,376	37,362
TOTAL	**55,492**	**20,628**	**3,721**	**4,789**	**264**	**10,056**	**94,950**

The Group is entitled, in connection with its business activities, to receive future minimum rental income in respect of non-cancelable operating leases amounting to €10.2 million in 2015 and €3.5 million in 2014.

NOTE 14 Main consolidated subsidiaries

Principles of consolidation

Fully-consolidated subsidiaries

A subsidiary is an entity controlled by the Company. The Group controls an entity when it has power over that entity, is exposed to variable benefits from that entity and, due to its power over that entity, has the ability to influence the benefits that it draws from it.

The Group takes account of substantial voting rights in assessing control, *i.e.*, rights that are currently exercisable or exercisable at the time that decisions on relevant business are taken.

The financial statements of all subsidiaries are included in the consolidated financial statements from the date on which the Company gains control until the date on which this control ceases.

Associates

An associate is an entity over whose financial and operating policies the Group has significant influence, without having control. The consolidated financial statements include the Group's share of the profit or loss and of the other comprehensive income of all associates accounted for using the equity method, from the date on which the Group gains significant influence until the date on which this influence ceases.

Jointly controlled operations

A jointly controlled operation is a joint venture operated by a company and one or more other parties under the terms of a contractual agreement which grants it rights to its net assets. There are no joint ventures within the Group's consolidation scope.

Transactions eliminated in the consolidated financial statements

Intragroup balances, income and expenses arising from intragroup transactions are eliminated in full in the consolidated financial statements.

Corporate name	Country	% Interest	Consolidation method
Ingenico Group SA	France	Parent company	
CONSOLIDATED SUBSIDIARIES			
Ingenico International (Pacific) Pty Ltd	Australia	100%	FC
Ingenico e-Commerce Solutions SPRL	Belgium	100%	FC
Ingenico Financial Solutions SA	Belgium	100%	FC
Ingenico do Brasil Ltda	Brazil	100%	FC
Ingenico Canada Ltd	Canada	100%	FC
Fujian Landi Commercial Equipment Co., Ltd	China	78.84%	FC
Ingenico Electronic Equipments (Beijing) Co., Ltd	China	78.84%	FC
Ingenico Colombia Ltda	Colombia	100%	FC
Ingenico CZ S.r.o.	Czech Republic	100%	FC
Ingenico Prepaid Services France SAS	France	100%	FC
Ingenico e-Commerce Solutions SAS	France	100%	FC
DI Deutsche Ingenico Holding GmbH	Germany	100%	FC
Ingenico e-Commerce Solutions GmbH	Germany	100%	FC
Ingenico GmbH	Germany	100%	FC
Ingenico Healthcare GmbH	Germany	100%	FC
Ingenico Marketing Solutions GmbH	Germany	100%	FC
Ingenico Payment Services GmbH	Germany	100%	FC
Ingenico Holdings Asia Limited	Hong Kong	78.84%	FC
Ingenico Hungary Kft.	Hungary	100%	FC
Ingenico International India Pvt Ltd	India	100%	FC
E-Billing Solutions Pvt Ltd	India	100%	FC
PT. Ingenico International Indonesia	Indonesia	100%	FC
Ingenico Italia SpA	Italy	100%	FC
Ingenico Mexico SA de C.V.	Mexico	100%	FC
Ingenico Payment Systems Africa SARLAU	Morocco	100%	FC
GCS Holding BV	Netherlands	100%	FC
Global Collect BV	Netherlands	100%	FC
Ingenico e-Commerce Solutions BV	Netherlands	100%	FC
Ingenico Philippines Corp.	Philippines	100%	FC
Ingenico Polska Sp. z o.o	Poland	100%	FC
Ingenico LLC	Russia	100%	FC
Ingenico International (Singapore) Pte Ltd	Singapore	100%	FC
Ingenico Iberia SL	Spain	100%	FC
Ingenico (Switzerland) SA	Switzerland	100%	FC
Ingenico E-Commerce Solutions GmbH	Switzerland	100%	FC
Ingenico International (Thailand) Co., Ltd	Thailand	100%	FC
Ingenico Ödeme Sistem Çözümleri AS	Turkey	100%	FC
Ingenico (UK) Ltd	United Kingdom	100%	FC
Ingenico e-Commerce Solutions Ltd	United Kingdom	100%	FC
Ingenico (Latin America) Inc.	United States	100%	FC
Ingenico Corp.	United States	100%	FC
Roam Data Inc.	United States	100%	FC
Nanjing ZTE-Ingenico Network Technology Co., Ltd	China	31.54%	EA
Fixed & Mobile Pte Ltd	Singapore	27.30%	EA

NOTE 15 Subsequent events

No material subsequent event happened since December 31, 2015.

5.7 Statutory auditors' report on the consolidated financial statements

Fiscal year ended December 31, 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Shareholders' Meeting, we hereby report to you, for the fiscal year ended December 31, 2015, on the following:

- our audit of the attached consolidated financial statements of Ingenico Group SA;
- the justification of our assessments;
- the specific verifications required by law.

These consolidated financial statements have been adopted by the Board of Directors. Our role is to express an opinion on these financial statements, based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis or through other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and results of the consolidated group of entities in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Without qualifying our opinion, we draw your attention to Note 8 to the Consolidated Financial Statements regarding the status, as of December 31, 2015, of the on-going tax litigation involving Ingenico Group SA's Brazilian subsidiary.

2. Justification of our assessments

In accordance with the requirements of Article L.823-9 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

- at each reporting date, the Company tests goodwill and intangible assets that have indefinite useful lives for impairment and identifies potential indications of impairments in other intangible assets, as described in Note 7 "Property, plant and equipment and intangible assets" to the consolidated financial statements. We have reviewed the impairment testing methodology and the assumptions used, and we have verified that Note 7 to the consolidated financial statements provides adequate disclosure. The underlying estimates retained for this test used assumptions that are uncertain by nature, the realizations may differ significantly from the forward-looking statements used;
- provisions for litigation and claims are recognized in accordance with the accounting principles and methods described in Note 8 "Other provisions" to the consolidated financial statements. On the basis of information currently available, we have reviewed how the provisions have been estimated and we have verified that Note 8 to the consolidated financial statements provides adequate disclosure.

These assessments were made as part of our audit of the consolidated financial statements, taken as a whole, and therefore contributed to the opinion we formed, which is expressed in the first part of this report.

3. Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law on information given in the management report of the Board of Directors.

We have no matters to report as to the fair presentation and the consistency with the consolidated financial statements.

The statutory auditors

Paris - La Défense, February 18, 2016

KPMG Audit IS	Mazars	Mazars
Frédéric Quélin	Thierry Blanchetier	Ariane Mignon
Partner	*Partner*	*Partner*


6 PARENT COMPANY FINANCIAL STATEMENTS AT DECEMBER 31, 2015

6.1 Assets

	2015				2014
(in thousands of euros)	Notes	Gross	D&A and impairment	Net	Net
Non-current assets					
Intangible assets	**4**				
Research and development expenses		79,489	43,736	35,752	30,453
Licenses, patents and similar rights		32,003	24,196	7,807	8,899
Goodwill		222,863	1,571	221,291	221,589
Other intangible assets		3,308	686	2,622	2,622
Property, plant and equipment	**4**				
Buildings on leasehold land		1,740	550	1,190	1,012
Facilities and equipment		37,490	26,726	10,764	8,753
Other property, plant and equipment		21,981	16,368	5,613	8,521
Financial assets	**4**				
Equity interests	5, 9, 19	1,913,496	14,851	1,898,645	1,888,121
Loans and advances to subsidiaries and associates	5, 6, 9, 19	11,210	-	11,210	18,516
Other financial assets	6	11,853	286	11,568	7,661
TOTAL I		**2,335,433**	**128,971**	**2,206,462**	**2,196,146**
Current assets					
Inventory	**9**				
Raw materials and consumables		6,087	3,956	2,130	3,677
Finished and semi-finished goods		11,709	3,218	8,492	7,056
Purchased goods held for sale		18	17	1	0
Total inventory		**17,814**	**7,191**	**10,623**	**10,733**
Trade receivables	**5, 6, 9, 12, 19**				
Advances and down-payments		327	-	327	369
Trade receivables and related accounts		203,935	5,883	198,051	122,415
Other receivables		53,700	177	53,522	51,920
Short-term investments	**7, 9**	**283,620**	**0**	**283,619**	**40,000**
Cash and cash equivalents	**12**	**390,559**	**-**	**390,559**	**109,874**
Accrued income	**6**	**7,923**	**-**	**7,923**	**6,551**
TOTAL II		**957,877**	**13,252**	**944,625**	**341,862**
Deferred bond issuance costs	4	900	-	900	1,067
Deferred charges	4	8,647	-	8,647	7,558
Translation gains		1,880	-	1,880	2,863
TOTAL ASSETS		**3,304,738**	**142,223**	**3,162,515**	**2,549,496**

6.2 Liabilities

(in thousands of euros)	Notes	2015	2014
Equity	**8**		
Share capital		60,991	57,437
Share premiums		823,382	676,212
Reserves	**8**		
Legal reserve		5,750	5,310
Other reserves			
Retained earnings	**8**	**209,354**	**95,574**
Profit for the year	**8**	**369,939**	**174,214**
Regulated provisions	**8, 9**	**9,637**	**12,219**
TOTAL I (EQUITY)		**1,479,053**	**1,020,966**
Provisions for liabilities and charges			
Provisions for liabilities and charges	9	28,712	24,336
TOTAL II (PROVISIONS)		**28,712**	**24,336**
Liabilities	**11**		
Other bond issues	10, 12	955,484	574,844
Bank borrowings and debt	10, 12	25	600,005
Other borrowings and liabilities	5, 19	435,623	123,330
Advances and down-payments received on outstanding orders		418	34
Trade payables and related accounts	12, 19	130,116	100,544
Tax and social security liabilities	12	90,660	79,911
Other liabilities	12, 19	5,518	3,293
Deferred income		32,629	18,835
TOTAL III (LIABILITIES)		**1,650,473**	**1,500,796**
Translation losses		4,278	3,397
TOTAL LIABILITIES AND EQUITY		**3,162,515**	**2,549,496**

6.3 Profit and loss account

(in thousands of euros)	Notes	2015	2014
Resale of purchased goods		75,793	72,245
Sales of goods produced		668,963	534,412
Sales of services		87,356	69,980
Revenue	**13, 19**	**832,112**	**676,637**
Inventories of finished goods and work in progress	19	3,302	(949)
Production for own use	19	15,416	19,539
Grants	19	-	0
Other operating income	19	4,267	372
Reversal of provisions and account transfer	9, 19, 4	23,353	23,016
TOTAL OPERATING INCOME		**878,450**	**718,616**
Purchases (incl. customs duties)	19	35	54
Cost of inventories consumed	19	335,862	269,298
Changes in inventories (raw materials and other supplies)	19	2,201	696
Other purchases and external charges	15, 19	126,181	121,192
Income taxes, taxes other than on income and related expenses	19	17,423	8,928
Wages and salaries	14, 20	75,489	77,582
Social security contributions		48,865	45,099
D&A on non-current assets	4	23,609	22,890
Provisions and impairment	9, 19	22,242	21,907
Other expenses		1,671	1,011
TOTAL OPERATING EXPENSES		**653,580**	**568,656**
EBIT		**224,870**	**149,960**
Financial income	16	279,154	116,622
Financial expenses		(109,648)	(56,278)
Reversals of provisions	16	10,741	28,689
Provisions	16	(16,136)	(2,966)
Net financial income and expenses	**16**	**164,112**	**86,067**
Profit before income taxes and non-recurring items		**388,982**	**236,027**
Non-recurring income		96,421	6,808
Non-recurring expenses		(25,469)	(8,103)
Non-recurring reversals of provisions	17	5,189	4,049
Non recurring provisions	17	(2,701)	(3,639)
Non-recurring income and expenses	**17**	**73,440**	**(885)**
Employee profit-sharing		4,387	4,341
Income tax Expense/(Income)	18	88,096	56,587
PROFIT FOR THE YEAR		**369,939**	**174,214**

6.4 Notes to the parent company financial statements

Index for the notes to the parent company financial statements

NOTE 1 Major events of the period

Equity securities: Purchases/sales/ valuation tests

Sale of 20% interest in Ingenico Holdings Asia Limited to FOSUN

In 2015, Ingenico Group SA entered into an agreement with Fosun (Fosun International Limited and Affiliates), a leading Chinese investment group, to step up its growth strategy in China. As part of this agreement, a fund managed by Fosun acquired a 20% interest in Ingenico Group's holding company in Hong Kong for its entities in China. The sale generated proceeds of €95.3 million and an accounting gain of €73.501 million.

Other transactions in equity securities

- On February 12, 2015, Ingenico Financial Solutions SA (formerly Tunz, Belgium) carried out a capital increase for €1.0 million, which was fully subscribed by Ingenico Group SA.
- On May 29, 2015, Ingenico International (Pacific) Pty Ltd (Australia) redeemed 700,000 preference shares held by Ingenico Group SA. The redemption generated an accounting gain of €50,000 for Ingenico Group SA. Following this redemption, Ingenico International (Pacific) Pty Ltd reduced its share capital by the equivalent amount. Following these transactions, Ingenico Group SA still holds 100% of Ingenico International (Pacific) Pty Ltd.
- On June 9, 2015, Ingenico Group SA made an earn-out payment as part of the acquisition of the assets of its subsidiary in Russia (Ingenico LLC) in the amount of €3.699 million, in accordance with the agreement to acquire Arcom assets dated April 12, 2012, providing for an acquisition price adjustment based on future performance criteria. This is the last adjustment provided for in the acquisition agreement.
- On September 21, 2015, Ingenico Group SA announced the end of the discussions that had been initiated on a possible acquisition of WorldPay. Costs incurred in connection with these discussions totaled €3.08 million and were fully expensed.
- On November 13, 2015, Ingenico Group SA subscribed to the capital of Ingenico Business Support SAS, Ingenico 4 SAS and Ingenico 5 SAS. These companies had no activity in 2015.
- On December 18, 2015, as part of the reorganization of its North American operations, Ingenico Group SA completed the acquisition from its US subsidiary Ingenico Corp. of 201 shares representing 100% of the capital of Ingenico Canada Ltd. The purchase price was C$50.9 million, or €33.96 million.
- During the year the Company participated in the financing of two funds: Partech Growth FCPI and Partech Entrepreneur II FCPI. Partech is a venture capital firm that invests mainly in start-ups. At December 31, 2015, Ingenico Group SA's interest amounted to €4.382 million.

Impairment tests

- At December 31, 2015, as part of its impairment tests on its financial assets, Ingenico Group SA recognized a provision for impairment of €13.803 million for the equity securities of its wholly owned subsidiary, Ingenico Ventures SAS. This provision reflects the impairment of assets of Roam Data Inc., which is wholly owned by Ingenico Ventures SAS.
- The provision for impairment of €7.878 million on Ingenico Holdings Asia II Limited was reversed, reflecting the positive growth outlook for its subsidiaries, especially in Indonesia.

Development financing for Ingenico Group SA

The following financing transactions were conducted in 2015:

Early repayment of syndicated loans

In line with its policy of dynamic management of its funding sources, in 2015, Ingenico Group SA repaid the following loans before their due date:

- the €100 million term loan contracted on July 31, 2014 from a banking pool;
- the €500 million drawdown on the revolving credit facility of the same amount, also contracted on July 31, 2014 with a due date of July 31, 2019. At December 31, 2015, the revolving credit facility maturing on July 31, 2019 remained open but unused.

Convertible bond issues

1) €250 million OCEANE convertible/exchangeable bond maturing in 2017

In January 2015, a total of 3,169,040 OCEANE bonds maturing in 2017 were converted into Ingenico Group SA shares, amounting to €118,648,000 and 3,216,566 new shares issued. In addition, on January 15, 2015 Ingenico Group SA carried out the early redemption of the remaining outstanding OCEANEs maturing in 2017 for the amount of €243,000.

2) €500 million OCEANE bond maturing in 2022

In 2015, Ingenico Group SA issued an OCEANE convertible/exchangeable bond with a call date of June 26, 2015 and a maturity date of June 26, 2022. The total principal amount of the issue was €500 million, or 2,904,443 bonds with a face value of €172.15 each. The bonds have no coupon. Their conversion/exchange ratio for new or existing Ingenico Group shares is one share per bond, subject to future adjustments. The Company may redeem the bonds early under certain conditions.

NOTE 2 Subsequent events

None

NOTE 3 Accounting principles and methods

The accounting principles and methods used were applied in compliance with the conservatism principle and these basic assumptions:

- going concern;
- consistency principle;
- time period concept;

and according to the generally-accepted rules governing the preparation and presentation of annual financial statements.

Items in the accounts are generally valued at historical cost.

The main accounting principles applied by the Group are as follows:

Research and Development

Research costs are expensed as incurred.

The costs of development activities, *i.e.* costs related to the application of research findings to a plan or design for the production of new or substantially improved products or processes, are capitalized if the Company can demonstrate, in particular, that the product or process is technically and commercially feasible and that sufficient resources are available to complete the development.

Such capitalized costs include the cost of materials and direct labor, plus an appropriate share of production overhead costs. To arrive at reliable estimates for the costs attributable to specific assets, Ingenico Group SA has introduced tools for managing time per project and an appropriate cost accounting system.

Other development costs are expensed as incurred. Capitalized development costs are stated at cost less accumulated amortization and impairment losses.

The estimated useful lives range from 3 to 5 years.

Other intangible assets

Other intangible assets acquired by the Company are stated at cost less accumulated amortization and impairment losses. Amortization is computed using the straight-line method.

The estimated useful lives are as follows:

- software and licenses: 1 to 5 years;
- other intangible assets: 5 years.

Goodwill

The "Goodwill" line item in the balance sheet in a net amount of €221,291,000 pertains primarily to the following:

- a merger deficit of €149,238,000 recognized on the dissolution and merger in 2010 of Ingenico France (formerly Sagem Monetel) through transfer of all of the entity's assets and liabilities;
- a merger deficit of €24,616,000 recognized on the merger in 2006 of MoneyLine into Ingenico;
- a merger deficit of €46,576,000 recognized on the 2012 merger with Xiring;
- the net assets of Xiring included goodwill totaling €452,000.

In compliance with regulation CRC 2004-01, these deficits are not amortized; they are tested for impairment. When the recoverable amount of one or more underlying assets to which a share of deficit has been allocated falls below the carrying amount of said asset(s), plus the allocated share of deficit, an impairment loss is recognized for the difference.

Property, plant and equipment

Property, plant, and equipment is carried at cost (purchase price and related expenses).

The cost of a self-constructed asset includes the cost of raw materials and direct labor, along with an appropriate share of production overhead costs. When components of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The replacement cost of a component is immediately capitalized under property, plant and equipment if it is probable that the future economic benefits arising from the asset will flow to the Company and its cost can be reliably measured.

All routine maintenance and repair costs are expensed as incurred.

Depreciation is calculated based on the following depreciation methods and useful lives:

- building fixtures and improvements: 5 years, straight-line depreciation;
- technical equipment (R&D department information systems): 4 years, declining balance depreciation;
- other machinery and equipment: 4 years, straight-line depreciation;
- other property, plant and equipment: 3 to 10 years, straight-line or declining balance depreciation.

Financial assets

Equity interests and loans and advances to subsidiaries and associates recorded on the balance sheet are stated at cost, with acquisition expenses included until December 31, 2009. As of 2010, acquisition expenses are expensed.

When the recoverable amount of equity interests and loans and advances to subsidiaries is less than the carrying amount, an impairment loss is recognized for the difference. The recoverable amount is equal to value in use.

Ingenico Group SA assesses the value in use of equity interests and loans and advances to subsidiaries and associates using the discounted cash flow method, net of subsidiary debt, with a 5-year forecast period and discounted terminal value. If the value is higher, the Company may also use the EBITDA multiple method, or the fair value method when an expert appraisal is available.

The discount rates used are based on the average cost of capital and the risk associated with the business.

The main assumptions used to determine the recoverable value of equity securities are as follows:

- valuation method: value in use;
- forecast period: 5 years;
- after-tax discount rate and perpetuity growth rate:

	12/31/2015	12/31/2014
Average after-tax discount rate	7.97%	8.31%
Perpetuity growth rate	1.32%	1.74%

The assumptions as to growth rate and weighted average cost of capital used in valuing equity securities have been reviewed against all available global market data.

The weighted average cost of capital is a medium-term rate.

The discount rates have been determined using market data on risk-free rates and risk premiums specific to the regions in which various entities operate.

After-tax discount rate by region	Europe & Africa	North America	Latin America	Asia-Pacific	ePayments	Central Operations
2015	**7.80%**	**7.20%**	**15.10%**	**9.00%**	**7.60%**	**8.00%**

After-tax discount rate by region	SEPA	North America	Latin America	EMEA	Asia-Pacific	Central Operations
2014	7.87%	7.78%	15.47%	11.14%	9.46%	8.02%

To reflect the growth prospects specific to the various businesses, Ingenico assumes the following long-term growth rates:

- 1.52% for Europe & Africa businesses;
- 2.50% for ePayments businesses;
- 1.00% for businesses in other regions.

Furthermore, at previously troubled subsidiaries on the path to recovery, the impairment losses recognized historically on equity securities can be temporarily maintained until such time as the subsidiary has demonstrated an independent ability to generate profits.

Impairment tests take into account the extent to which an equity investment is strategic and how resilient the entity's business and finances are.

Tax-accelerated depreciation and amortization

For tax purposes, purchased software is amortized over 12 months.

Development costs arising on the merger with Xiring are amortized over 3 years.

Expenses related to the acquisition of Ingenico Holdings Asia and Easycash, which took place prior to 2010, are amortized over 5 years.

Tax-accelerated depreciation and amortization of acquisition expenses is calculated in accordance with current French tax regulations. It is equal to the difference between:

- declining balance depreciation/amortization on the useful lives recorded until December 31, 2009;
- depreciation/amortization recognized on the asset side of the balance sheet.

Tax-accelerated depreciation and amortization expenses and reversals are recognized in non-recurring income for the year.

Inventories

Cost of inventories is determined using the weighted average cost method. Finished goods are valued at production cost, which corresponds to the subcontractor's manufacturing cost, plus the costs of transportation, handling, and other costs directly attributable to the purchase of these inventories.

If the net realizable value of inventory on the balance sheet date is less than cost, an impairment loss is recognized for the difference.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Trade receivables and related accounts

Trade receivables and related accounts are stated at their nominal value. An impairment loss is recognized when the recoverable amount is less than the carrying amount.

Expenses incurred in relation to several-year contracts for the supply of applications are accounted for as accrued receivables, with margin recognized on a percentage-of-completion basis. The percentage of completion is determined through budgetary review of the stage of project completion (actual expenses versus projected expenses) and on the basis of attainment of contractually stipulated milestones. A provision for losses on completion of the contract may be recognized, based on the estimated outcome of the transaction.

Transactions in foreign currency

Revenues and expenses denominated in foreign currency are recorded at the euro equivalent on the date of transaction. The differences resulting from the translation of payables and receivables at the closing exchange rate are recorded on the balance sheet under "Translation differences". Hedged foreign-currency receivables and payables are recognized at their hedged rate. A provision is recorded for unrealized foreign exchange losses.

Foreign exchange hedges

Ingenico Group SA manages foreign exchange risk for all entities in the Group. The purpose of Ingenico Group SA's foreign exchange risk management policy is to hedge against the risk of currency depreciation against the euro for all invoices issued in foreign currencies. The policy therefore covers foreign exchange transaction risk to hedge trade receivables, trade payables and current accounts, as well as future cash flows from budgets. To hedge against the foreign exchange risk associated with its overseas operations, Ingenico Group SA mainly uses spots, forwards, options and foreign exchange hedging instruments. These instruments qualify as hedges and are recorded as off-balance sheet commitments.

Retirement benefit obligations

Upon retirement, Company employees receive benefits as per the provisions of the collective bargaining agreement by which they are covered. The Company recognizes provisions for retirement benefit obligations. As of December 31, 2015, those obligations were estimated at €7,055,000.

The Company measures and recognizes its retirement benefit obligations in accordance with ANC recommendation 2013-02, using the retrospective method and the following assumptions:

- social security contribution rates estimated on the basis of actual contribution rates for the various categories of employees;
- voluntary retirement at age 62 for former Xiring employees, and at 63 for all other Ingenico Group SA employees;
- a 1.90% inflation rate;
- a 2.05% discount rate at December 31, 2015, versus a 1.50% discount rate at December 31, 2014;
- an annual wage adjustment rate of 0.50%, excluding inflation.

Any differences in valuation due to a change in the discount rate are recognized in profit or loss.

Provisions for litigation and claims

Commercial disputes

Provisions for litigation and claims are recognized when the Company has a present obligation in respect of litigation in progress, administrative inquiries, disputed proceedings and other claims arising from past events not yet settled, where it is probable that an outflow of economic benefits, which can be reliably estimated, will be required to settle the obligation. Ingenico Group SA obtains expert legal advice to assess the probability of the outcomes and to measure the provisions for litigation and claims.

Tax disputes

During fiscal year 2015 and previous years, Ingenico Group SA was subject to tax audits and, on occasion, correction proposals. The financial consequences of such additional tax assessments and taxes are recognized through provisions for the amounts that have been notified and accepted or are considered as presenting a probable outflow of resources which can be reliably estimated.

Ingenico Group SA periodically reviews the estimate of this risk with regard to changes in auditing procedures and disputes and believes that current audits will not have a significant impact on its financial situation or its liquidity.

Short-term investments

Financial instruments classified as short-term investments are carried at cost. When their recoverable amount, which is their fair value, is less than cost, an impairment loss is recognized for the difference. Losses are not offset against unrealized gains.

Deferred charges

This item pertains to bond issue expenses, which are amortized on a straight-line basis over the life of the bond.

Business Research Tax Credit, Competitiveness and Employment Tax Credit

The Business Research Tax Credit and the Competitiveness and Employment Tax Credit (CICE) are accounted for as a reduction in corporate income tax.

The CICE for fiscal year 2014 in the amount of €293,000 was allocated to fund improvements to the Company's competitiveness.

Free share awards

When the Company buys back its own free shares in the market to award them under free share award plans, the cost of any buybacks carried out or to be carried out to meet obligations to beneficiaries of such plans is covered by a provision allocated on a pro rata basis over the free share vesting period, as specified in each plan (2 to 4 years, depending on the beneficiary). At the end of the vesting period, the award of the treasury shares to the plan beneficiaries becomes final. The loss on disposal recognized at that point must be offset by a reversal of the previously recognized provision for impairment of treasury shares.

The net expense related to award plans for free shares purchased on the market, not including expenses rebilled to Group subsidiaries, is reclassified under "Payroll and related expenses" by way of a non-recurring expense transfer account. Treasury shares meant to be allocated to employees are recognized in "Short-term investments".

When the Company issues new shares to be used in free share award plans, no provision is recognized.

Treasury shares

Treasury shares that are not allocated to a free share award plan are recognized as financial assets.

Treasury shares allocated to a free share award plan or held under a liquidity contract are recognized as short-term investments.

Tax consolidation

The tax consolidation agreements between Ingenico Group SA, the head of the tax consolidation group, and the other companies in the tax consolidation group specify that each subsidiary pays the parent an amount equal to the income tax the subsidiary would have been required to pay if it had been taxed as a separate entity, net of any loss carry-forwards and carry-backs to which the subsidiary would have been entitled in the absence of tax consolidation.

At the end of a loss-making year for a subsidiary, that subsidiary will have no claim against the parent, even if the parent has established a claim against the French Treasury by electing to carry back the entire loss of the tax consolidation group.

If a subsidiary withdraws from the tax consolidation group, the parent and the subsidiary are to determine by mutual agreement whether the subsidiary has incurred additional costs as a result of tax consolidation, and if so, whether this entitles the subsidiary to compensation from the parent.

Revenue recognition

Revenue from the sale of goods is recognized in profit or loss when the significant risks and rewards of ownership of the goods have been transferred to the buyer. In practice, revenue is recognized when those risks have effectively been transferred according to the Incoterms that apply to the sale transaction.

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the service at the reporting date.

When an invoice for services covers a future period, deferred income is recognized on a pro rata basis.

OCEANE Convertible Bonds

The decrease in financial liability and increase in capital resulting from the OCEANE conversions are recognized on the share delivery date.

OCEANE conversion requests received but not yet converted at reporting date are not recognized.

NOTE 4 Changes in non-current assets and depreciation and amortization

Non-current assets

Items *(in thousands of euros)*	Gross carrying at Jan. 1, 2015	Increase	Transfers of item items	Decrease	Gross carrying at Dec. 31, 2015
Intangible assets					
• R&D, services & applications expenses	89,139	10,805 (1)	(708)	19,747	79,489
• Patents, licenses and trademarks	32,997	2,124	2,870 (2)	5,987	32,003
• Goodwill	223,160	-	-	298	222,863
• Other intangible assets:					
– Other	686	-	-	-	686
– Assets, R&D in progress Other	-	-	-	-	-
– Other assets in progress	2,622	2,162	(2,162)		2,622
Property, plant and equipment					
• Building fixtures	1,388	275	78		1,740
• Equipment and machinery	35,002	7,442	-	4,954	37,490
• Other property, plant and equipment	20,875	1,945	(78)	762	21,981
Financial assets					
• Equity interests	1,897,047	38,688 (3)		22,240 (4)	1,913,496
• Loans and advances to subsidiaries & associates	18,516	2,443 (5)		9,748 (6)	11,210
• Other financial assets	7,661	4,352 (7)		159	11,854
TOTAL	**2,329,091**	**70,236**	**0**	**63,894**	**2,335,433**

(1) Includes €10,333,000 in capitalized research and development costs in the Hardware business.
(2) Includes €2,253,000 in capitalized applications services development costs.
(3) Includes €1.0 million on Ingenico Financial Solutions SA (Belgium) shares after the cash capital increase;
includes €3,699,000 for Ingenico LLC (Russia) shares as an earn-out payment;
includes €10,000 on Ingenico Business Support (France) shares following the creation of that company;
includes €10,000 for Ingenico 4 (France) shares following the creation of that company;
includes €10,000 for Ingenico 5 (France) shares following the creation of that company;
includes €33,960,000 for Ingenico Canada Ltd. shares following Ingenico Corp's buyout of this wholly owned Canadian subsidiary.
(4) Includes redemption of Ingenico International (Pacific) Pty Ltd preference shares for a gross amount of €440,000;
includes the sale of 20% of Ingenico Holdings Asia Limited shares for a gross amount of €21,799,000.
(5) Increase of €2,443,000 related solely to foreign exchange gains and losses.
(6) Includes €4,120,000 repayment of loan made to PT Ingenico International Indonesia;
includes €4.4 million repayment of loan made to Ingenico Iberia SL.
(7) Includes holdings in Partech Growth FCPI and Partech Entrepreneur II FCPI investment funds for €4,270,000.

Depreciation and amortization

Items *(in thousands of euros)*	Accumulated at Jan. 1, 2015	Increase	Transfers of item items	Decrease	Accumulated at Dec. 31, 2015
Intangible assets					
• Research and development expenses	58,685	4,799	-	19,747	43,736
• Patents, licenses and trademarks	24,098	6,082	-	5,984	24,196
• Goodwill	1,571	-	-	-	1,571
• Other intangible assets					
– Other	686	-	-	-	686
Property, plant and equipment					
• Building fixtures	376	174	-	-	550
• Equipment and machinery	26,249	4,812	-	4,335	26,726
• Other property, plant and equipment	12,355	4,775	-	762	16,368
TOTAL	**124,019**	**20,642**	**-**	**30,827**	**113,834**

Breakdown of depreciation and amortisation charges

Straight-line	Diminishing-balance	Non-recurring items
12,774	7,868	-

Changes in deferred charges

(in thousands of euros)	Amount at Jan. 1, 2015	Increases for the fiscal year	Additions for the fiscal year	Amount at Dec. 31, 2015
Deferred charges	8,625	4,056 (1)	3,134 (2)	9,547

(1) Includes issuance costs on the €500 million "OCEANE" bond issue in the amount of €4,056,000 recognized via an account transfer.

(2) Includes €713,000 in deferred charges on the 2011 OCEANE €250 million bond issue;
includes €297,000 in deferred charges on the 2015 OCEANE €500 million bond issue;
includes €349,000 in deferred charges on the 2014 €450 million bond issue;
includes €167,000 in issue premium on the 2014 €450 million bond issue;
includes €770,000 in deferred charges on the 2014 €100 million syndicated loan;
includes €839,000 in deferred charges on the 2014 €500 million RCF syndicated loan.

NOTE 5 Equity interests

Subsidiaries [1]	Currency of share capital and equity	Share capital	Reserves retained earnings and profit of last fiscal year (before appro-priation)	Share capital % held	Carrying amount of shares held: Gross	Carrying amount of shares held: Net	Loans and advances granted by the Company and not yet repaid at 12/31/2015	Loans and advances received by the Company at 12/31/2015	Revenue before tax last fiscal year ended	Profit/(loss) of last fiscal year ended profit net or (loss)	Dividends received by the Company during of fiscal year 2015
		In thousands of currency units		*As %*	*In thousands of euros*						
INGENICO VENTURES SAS 28-32, boulevard de Grenelle 75015 Paris	EUR	42,942	(2,869)	100.00%	42,942	29,139	1,261	-	-	(13,865)	-
INGENICO HEALTHCARE GMBH Konrad-Zuse-Ring1 24220 Flintbeck, Germany	EUR	500	856	100.00%	1,850	1,850	-	254	2,947	(257)	-
NATURAL SECURITY SAS [3] 165, avenue de Bretagne Euratechnologie 59044 Lille	EUR	14,893	(14,209)	5.19%	774	-	-	-	256	(1,519)	-
INGENICO GMBH Am Gierath 20 40885 Ratingen, Germany	EUR	3,607	3,607	100.00%	3,611	3,611	-	6,529	49,373	2,696	
DI DEUTSCHE INGENICO HOLDING GMBH Am Gierath 20 40885 Ratingen, Germany	EUR	212,874	(119,289)	100.00%	220,063	220,063	-	-	-	9,466	4,200
INGENICO (UK) LIMITED [2] 17 Ridge Way, Donibristle Industrial Park Dalgety Bay, Dunfermline Fife JY11 9JU Scotland - United Kingdom	GBP	-	-	100.00%	1,544	1,544	529	39,820	-	-	21,741
INGENICO ITALIA SpA [2] Via Giorgio Stephenson 43/A 20157 Milano (MI), Italy	EUR	2,000	24,018	100.00%	2,588	2,588	7,612	216	103,002	6,825	4,500
INGENICO IBERIA, S.L. [2] Avenida del Partenón 16-18, 4ª Planta Campo de las Naciones 28042 Madrid, Spain	EUR	8,115	21,271	100.00%	87,191	87,191	2,396	5	35,936	(1,468)	-
INGENICO HUNGARY Big U. 3-5 1022 Budapest, Hungary	HUF	3,000	75,516	100.00%	12	12	496	-	6,020	(86)	1,296
INGENICO EASTERN EUROPE I SARL [2] 1, rue Joseph-Hackin L - 1746 Luxembourg	EUR	13	976	99.00%	905	905	-	850	-	829	-
INGENICO SWITZERLAND Impasse des Ecureuils 2 Case postale 56 CH-1763 Granges-Paccot, Switzerland	CHF	140	980	100.00%	1,810	1,810	-	-	3,315	774	1,537
INGENICO CORP. [2] Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801, United States	USD	-	116,257	100.00%	86,229	86,229	12,583	87,165	-	34,845	-
INGENICO LATIN AMERICA INC. [2] 9155 South Dadeland Blvd., Suite 1500 Miami, Florida 33156 - USA	USD	1	1,329	100.00%	418	418	11,985	-	36,703	(401)	-
INGENICO DO BRASIL LTDA [2] Alameda Araguaia, no 2190 Edificio North Tower Condominio CEA II Centre Empresarial Araguaia II, Alphaville CEP 06455906 Barueri, Brazil	BRL	39,292	(3,018)	99.88%	18,484	18,484	-	-	169,027	332	20,353
INGENICO PREPAID SERVICES FRANCE SAS 28-32, boulevard de Grenelle 75015 Paris	EUR	500	1,064	100.00%	8,731	8,731	-	-	9,829	320	-
INGENICO HOLDING ASIA LIMITED [2] 3806 Central Plaza 18 Harbor Road, Wanchai, Hong Kong	USD	114,847	(52)	78.84%	66,158	66,158	6	6,389	-	38,069	59,487

Subsidiaries [1]	Currency of share capital and equity	Share capital	Reserves retained earnings and profit of last fiscal year (before appro-priation)	Share capital % held	Carrying amount of shares held: Gross	Carrying amount of shares held: Net	Loans and advances granted by the Company and not yet repaid at 12/31/2015	Loans and advances received by the Company at 12/31/2015	Revenue before tax last fiscal year ended	Profit/(loss) of last fiscal year ended profit net or (loss)	Dividends received by the Company during of fiscal year 2015
		In thousands of currency units		*As %*			*In thousands of euros*				
INGENICO INTERNATIONAL (PACIFIC) PTY LTD [2] 6 Prosperity Parade Warriewood NSW 2102, Australia	AUD	400	7,425	100.00%	252	252	-	3,238	44,351	3,938	6,490
INGENICO INTERNATIONAL(SINGAPORE) PTE LTD. 152 Beach Road # 12-05-08 Gateway East Singapore 189721, Singapore	SGD	-	-	100.00%	101	101	8,683	-	76,371	-	-
INGENICO SOFTWARE SERVICES PHILIPPINES INC. 17th Floors Pearlbank Center 146 Valero Street Salcedo village – Makati City – Philippines	PHP	9,200	(15,070)	100.00%	118	-	95	-	-	-	-
INGENICO ÖDEME SISTEM ÇÖZÜMLERI AŞ [2] ITU Ayazaga Kampüsü Teknokent ARI 3 Binası Kat:8 No: 802 – 804 34469 Maslak, Sarıyer - İstanbul Turkey	TRY	19,613	11,050	100.00%	18,170	18,170	1,000	-	49,686	(6,796)	-
INGENICO LLC Godovikova Street, 9, bld. 16 Moscow 119085 Russia	RUB	-	-	100.00%	-	-	-	-	-	(2)	-
INGENICO CZ s.r.o. Myslíkova 25 110 00 Praha 1, Czech Republic	CZK	3,750	47,070	100.00%	142	142	-	1,550	11,893	1,095	2,569
INGENICO INTERNATIONAL INDIA PRIVATE LIMITED Ground Floor 8-12, World Trade Centre Babar Road, Connaught Place New Delhi 110001, India	INR	325,702	53,606	100.00%	3,902	3,902	-	-	27,621	762	-
INGENICO 1 S.A. 28-32, boulevard de Grenelle 750015 Paris	EUR	19	9	100.00%	37	37	-	-	-	(3)	-
INGENICO 2 S.A. 28-32, boulevard de Grenelle 750015 Paris	EUR	19	8	100.00%	37	37	-	-	-	(3)	-
INGENICO BARCELONA, S.A. Avenida Vía Augusta, 15-25, planta 5° Edificio B1, Parc Empresarial Sant Cugat del Vallés (Barcelona) Spain	EUR	7,302	(101)	0.01%	3	-	-	-	-	123	-
INGENICO LLC Ul. Shpalernaya 51 191015 Saint Petersburg, Russia	RUB	3,448	410,683	100.00%	15,178	15,178	-	2,422	43,019	5,800	7,090
M2M APPLICATIONS CARTES A MEMOIRES SA 20, rue Moussa-Bnou Noussair Quartier Gauthier 20000 Casablanca, Morocco	MAD	2,250	-	31.00%	152	-	-	-	-	-	-
INGENICO HOLDINGS ASIA II LIMITED 3806 Central Plaza 18 Harbor Road, Wanchai, Hong Kong	USD	33,594	(10,226)	100.00%	25,180	25,180	3,571	-	-	310	
INGENICO E-COMMERCE SOLUTIONS SPRL 102 Bld de la Woluwe Woluwe-Saint-Lambert 1200 Bruxelles	EUR	75,000	213,021	100.00%	556,832	556,832	-	25,024	50,237	11,650	2,000
INGENICO FINANCIAL SOLUTIONS SA	EUR	1,500	(790)	99.99%	8,038	8,038	-	-	7,479	(1,127)	-
INGENICO E-COMMERCE SOLUTIONS BV Claude Debussylaan 18. 1082 MD Amsterdam	EUR	18	2,440	100.00%	19,998	19,998	-	-	13,343	1,807	1,500
INGENICO E-COMMERCE SOLUTIONS SPRL France	EUR	40	1,139	100.00%	23,000	23,000	-	-	15,118	1,102	1,300

Subsidiaries [(1)]	Currency of share capital and equity	Share capital	Reserves retained earnings and profit of last fiscal year (before appro-priation)	Share capital % held	Carrying amount of shares held Gross	Carrying amount of shares held Net	Loans and advances granted by the Company and not yet repaid at 12/31/2015	Loans and advances received by the Company at 12/31/2015	Revenue before tax last fiscal year ended	Profit/(loss) of last fiscal year ended profit net or (loss)	Dividends received by the Company during of fiscal year 2015
	In thousands of currency units			*As %*	*In thousands of euros*						
GCS Holding BV Planetenweg 43-59 2132 HM Hoofddorp – The Netherlands	EUR	19	232,017	100.00%	665,010	665,010	-	-	376,450	16,842	51,000
INGENICO PAYMENT SYSTEMS AFRICA SARLAU 22, rue Cadi-Ayas Maarif 20330 Casablanca-Anfa Morocco	MAD	500	1,635	100.00%	45	45	40	-	833	141	-
INGENICO 3 SAS 28-32, boulevard de Grenelle 750015 Paris	EUR	10	-	100.00%	10	10	-	-	-	-	-
INGENICO 4 SAS 28-32, boulevard de Grenelle 750015 Paris	EUR	10	-	100.00%	10	10	-	-	-	-	-
INGENICO 5 SAS 28-32, boulevard de Grenelle 750015 Paris	EUR	10	-	100.00%	10	10	-	-	-	-	-
INGENICO CANADA LTD. 5180 Orbitor Drive, 2nd Floor, Mississauga, Ontario L4W 5L9 (Canada)	CAD	-	39,132	100.00%	33,960	33,960		-	54,263	5,081	-
TOTAL					**1,913,496**	**1,898,645**	**50,257**	**173,464**	**1,187,073**	**117,281**	**185,063**

(1) Profit or loss data for foreign subsidiaries are translated into euros at the average exchange rate for the year, balance sheet data are translated at the closing rate.

(2) Sub-group.

(3) 2014 data.

NOTE 6 Receivables

Items *(in thousands of euros)*	**Carrying amount**	**Up to 1 year**	**More than 1 year**
Receivables on non-current assets			
Loans and advances to subsidiaries and associates	11,210	4,441	6,769
Other financial assets	11,853	-	11,853
Receivables on current assets			
Doubtful or disputed accounts	2,304	-	2,304
Other trade receivables	201,631	201,631	-
Income tax receivables	3,340	3,340	-
VAT receivables	5,444	5,444	-
Group current accounts - *cash pooling*	43,532	43,532	-
Other receivables	1,384	1,384	-
Accrued income	7,923	5,461	2,462
TOTAL	**288,621**	**265,232**	**23,390**
Prior-year data	**216,492**	**193,542**	**22,950**

NOTE 7 Short-term investments

Type of assets *(in thousands of euros)*	Cost	Fair value	Impairment
Treasury shares	-	-	-
UCITS and other instruments classified as short-term investments	283,619	283,619	-
TOTAL SHORT-TERM INVESTMENTS	**283,619**	**283,619**	

NOTE 8 Changes in shareholders' equity and treasury shares

Ingenico's share capital consists of 60,990,600 shares of €1 each, including 2,482,818 shares with double voting rights and 276,294 treasury shares.

During the year, 3,553,819 new shares were issued: 3,216,566 on conversion of OCEANE bonds, 313,580 in the form of stock dividends, and 23,673 for employee share offers.

Changes in shareholders' equity

(in thousands of euros)	At Jan. 1, 2015	Allocation of net profit in 2014	Movements in 2015	At Dec. 31, 2015
Share capital	57,437		3,554 (1)	60,990
Share premiums	676,212		147,170 (2)	823,382
Legal reserve	5,310	440		5,750
Retained earnings	95,574	113,499	281	209,353
Profit for the year	174,214	(174,214)	369,939	369,939
Regulated provisions	12,219		(2,582)	9,637
2014 dividends paid in 2015	-	60,275		-
TOTAL	**1,020,965**	**0**	**518,362**	**1,479,053**

(1) Includes conversions of 2011 OCEANE €250 million bond: €3,217,000;
includes stock dividends: €314,000;
includes employee share offers: €24,000.
(2) Includes conversions of 2011 OCEANE €250 million bond: €115,431,000;
includes stock dividends: €29,727,000;
includes employee share offers: €2,011,000.

Treasury shares

	2015		2014	
(in thousands of euros)	Quantity	Net amount *(in thousands of euros)*	Quantity	Net amount *(in thousands of euros)*
Unallocated treasury shares	276,294	7,035	280,794	7,167
Treasury shares held under the liquidity contract	-	-	-	-
TOTAL	**276,294**	**7,035**	**280,794**	**7,167**

Free share award plan and stock option plans

	2015				
	Shares outstanding at Jan.1	Shares granted during the year	Share awards exercised during the year	Shares cancelled or expired; other movements	Existing shares at Dec. 31
Free share awards	36,700	188,900	4,500	3,400	217,700
Joint investment plan	199,470	-	-	17,280	182,190
TOTAL	**236,170**	**188,900**	**4,500**	**20,680**	**399,890**

At the end of the vesting period for free share award plans beginning in 2013 and ending in 2015, 4,500 treasury shares were transferred free of charge to the plans' beneficiaries. A loss on disposal of €133,000 was recognized for the year.

The Board of Directors, using the authorization granted by the shareholders on April 29, 2013, decided on July 29, 2015 to set up a new free share award plan for certain employees of the Group's French and foreign companies.

The total number of 188,900 shares may be awarded at the end of the two-to-four year vesting period, based on conditions of continuous service, performance and Group attainment of a specified level of EBITDA.

NOTE 9 Provisions and impairment

(in thousands of euros)	Carrying amount at Jan. 1, 2015	Additions	Transfers between items	Reversals used	Reversals no used	Carrying amount at Dec. 31, 2015
I - Regulated provisions						
Tax-accelerated depreciation and amortization	12,219	2,607	-	5,189	-	9,637
TOTAL I	**12,219**	**2,607**	**-**	**5,189**	**0**	**9,637**
II - Provisions for liabilities and charges						
Provisions for litigation in comm. courts & industrial tribunals	7,075	190		210	114	6,941
Provisions for warranties	679	1,589		1,491		778
Provisions for foreign exchange losses	2,863	1,880			2,863	1,880
Provisions for retirement benefit obligations	7,506	1,176		1,627		7,055
Provisions for taxes	0					0
Other provisions [(1)]	6,212	10,874		1,946	3,176	11,964
TOTAL II	**24,337**	**15,709**	**-**	**5,273**	**6,154**	**28,618**
III - Impairment						
Property, plant and equipment	-	-	-	-	-	-
Financial assets [(2)]	8,925	13,803	-		7,878	14,850
Inventories	6,027	6,780	-	5,615	-	7,192
Trade receivables	9,252	1,634	-	5,003	-	5,883
Other receivables [(3)]	177	379	-		-	557
Short-term investments	-	0	-		-	0
TOTAL III	**24,382**	**22,596**	**-**	**10,617**	**7,878**	**28,483**
TOTAL I+II+III	**60,939**	**40,912**	**-**	**21,079**	**14,032**	**66,739**
Provisions and impairment:						
• for operating items		22,242		19,181		
• for financial items		15,969		10,741		
• for non-recurring items		2,701		5,189		
TOTAL		**40,912**		**35,111**		

(1) Includes a €2,886,000 provision for EMS quality risk;
includes a €2,883,000 provision for quality risk and replacement costs to retrofit customers;
includes a €5,104,000 provision for risk of additional social security contributions;
includes a €2,525,000 reversal of provision for EMS quality risk;
includes a €2,597,000 reversal of provisions for quality risk and replacement costs to retrofit customers.

(2) Includes a €13,803,000 reversal of provisions for impairment of Ingenico Ventures equity investments;
includes a €7,878,000 reversal of provisions for impairment of Ingenico Holdings Asia II Limited equity investments.

(3) Includes a €286,000 reversal of provisions for impairment of Partech Growth and Partech Entrepreneur II equity investments.

NOTE 10 Bank borrowings and long-term debt and bond issues

(in thousands of euros)	Balance at Dec. 31, 2015	Initial term	Maturity date
Medium-term borrowings			
2015 OCEANE bond issue	500,000	7 years	26/06/2022
2014 bond issue	450,000	7 years	20/05/2021
Accrued interest on loan (1)	5,484		
Short-term borrowings			
Bank overdrafts	25		
Cash-flow instruments	-		
TOTAL	**955,509**		

(1) Includes interest payments on bond debt: €5,484,000.
Early repayment of the 2014 syndicated term loan for €100 million.
Early repayment of the 2014 syndicated revolving credit *facility for €500 million.*

Syndicated loan facility

On July 29, 2014, Ingenico Group SA contracted a €600 million syndicated loan facility maturing in 2019, structured as a €100 million term loan and a €500 million revolving credit facility. This facility bears interest at a variable rate (Euribor 1 to 6 months plus a margin that varies depending on the relevant covenants).

In 2015, in line with its policy of dynamic management of funding sources, Ingenico Group SA repaid the following before their due date:

- the term loan for €100 million;
- the €500 million drawdown on the revolving credit facility of the same amount. At December 31, 2015, the revolving credit facility maturing on July 31, 2019 remained open but unused.

Bond issue

On May 20, 2014, the Company launched a €450 million bond issue (4,500 bonds with a face value of €100,000 each). The projected redemption date is May 20, 2021 and the annual coupon is set at 2.50%. For the admission of the bonds to trading on the Euronext Paris stock exchange, Ingenico Group SA published a prospectus that was approved on May 16, 2014 by the French Financial Markets Authority, the Autorité des marchés financiers, under no. 14-0210.

OCEANE bond issue

2011 OCEANE

In 2011, Ingenico issued an OCEANE bond (*i.e.*, bonds convertible and/or exchangeable for new or existing shares) with a call date of March 11, 2011 and a maturity date of January 1, 2017. The total principal amount of the issue was €250,000,000, or 6,677,350 bonds with a face value of €37.44 each. The bonds pay an annual coupon of 2.75%.

The bond issue was accompanied by an information memorandum approved by the Autorité des marchés financiers under number 11-062 on March 3, 2011.

On December 15, 2014, Ingenico Group SA published an early redemption notice regarding OCEANE bonds with a maturity date of January 1, 2017. On January 7, 2015, the Company carried out the early redemption of all OCEANE bonds outstanding on that date and for which stock options had not been exercised.

As a result, in 2015, 3,169,040 OCEANE bonds were converted into 3,216,566 new shares for a total amount of €118,648,000.

2015 OCEANE

In 2015, Ingenico issued an OCEANE bond (*i.e.*, bonds convertible and/or exchangeable for new or existing shares) with a call date of June 26, 2015 and a maturity date of June 26, 2022. The total principal amount of the issue was €500 million, or 2,904,443 bonds with a face value of €172.15 each. The bonds have no coupon.

The issuance costs for the OCEANE bond totaled €4,056,000. That amount is recorded in “Deferred charges” for 2015 on the asset side of the balance sheet and amortized over the life of the bond (see Note 4).

NOTE 11 Statement of liabilities

(in thousands of euros)	Carrying amount	Up to 1 year	More than 1 year and less than 5 years	More than 5 years
OCEANE bonds	500,000	-	-	500,000
Bond issue	455,484	5,484	-	450,000
Bank borrowings and debt	25	25	-	-
Cash-flow instruments	-	-	-	-
Other borrowings and liabilities	435,623	435,623	-	-
Trade payables and related accounts	130,116	130,116	-	-
Payroll and related expenses	34,184	34,184	-	-
Social security and related liabilities	20,017	20,017	-	-
Payables to government	34,489	34,489	-	-
Other taxes and similar duties	1,969	1,969	-	-
Payables to non-current asset suppliers and related accounts	-	-	-	-
Other liabilities	5,518	5,518	-	-
Deferred income	32,629	25,957	6,672	-
Advances and down-payments received on outstanding orders	418	418	-	-
TOTAL	**1,650,472**	**693,799**	**6,672**	**950,000**
Prior-year data	**1,500,796**	**465,821**	**584,974**	**450,000**

NOTE 12 Accrued income and charges

Statement of accrued income *(in thousands of euros)*	Dec. 31, 2015	Dec. 31, 2014
Trade receivables and related accounts	38,018	6,143
Receivables from social security bodies	10	54
Government operating grants	-	-
VAT receivables from government	-	3
Other receivables: Supplier credits earned but not yet received	-	-
Cash and cash equivalents	-	-
TOTAL ACCRUED INCOME	**38,030**	**6,200**

Statement of accrued charges *(in thousands of euros)*	Dec. 31, 2015	Dec. 31, 2014
Short-term bank and related borrowings	5,484	5,953
Trade payables and related accounts	33,038	30,098
Tax and social security liabilities	49,132	54,423
Other liabilities	1,939	791
TOTAL ACCRUED CHARGES	**89,593**	**91,265**

NOTE 13 Breakdown of revenue

Breakdown by geographical area *(in thousands of euros)*	2015	2014
France (mainland and overseas depts.)	135,785	133,187
Australia, China and Southeast Asia	103,661	88,290
Western and Central Europe	282,780	225,901
The Americas	242,346	173,935
Middle East	35,936	27,912
Africa	31,604	27,413
TOTAL	**832,112**	**676,637**

NOTE 14 Average workforce

Employees	2015	2014
Executives and engineers	817	748
Clerical staff, technicians and supervisors	92	87
TOTAL	**909**	**835**

NOTE 15 Capitalized research and development expenses

(in thousands of euros)	2015	2014
Capitalized R&D costs	10,333	14,877
Total R&D costs (expensed and capitalized)	86,686	73,589
% of R&D costs capitalized	**12%**	**20%**

NOTE 16 Net financial income and expenses

Nature *(in thousands of euros)*	2015	2014
Financial income		
Income from equity investments [1]	185,397	65,343
Foreign exchange gains	88,465	40,411
Income from other receivables [2]	2,411	6,508
Gains on disposal of short-term investments	288	1,318
Reversal of provisions and account transfers [3]	10,741	28,689
Other operating income [4]	2,592	3,042
TOTAL FINANCIAL INCOME	**289,895**	**145,311**
Financial expenses		
Foreign exchange losses	93,845	39,789
Amortization and provisions [5]	16,136	2,966
Interest expense	13,995	12,860
Losses on disposal of short-term investments	136	782
Debt write-offs	-	-
Other financial expenses, net [6]	1,672	2,847
TOTAL FINANCIAL EXPENSES	**125,784**	**59,244**
Net financial income and expenses	**164,112**	**86,067**

(1) Includes €185,397,000 in dividends received from subsidiaries (see Note 5).
(2) Interest on loans to subsidiaries and current accounts.
(3) Includes a €2,863,000 reversal of provision for foreign exchange losses; includes a €7,878,000 reversal of provision for impairment of Ingenico Holdings Asia II Limited equity investment.
(4) Includes €2,372,000 in interest on interest rate swaps.
(5) Includes a €13,803,000 provision for impairment of Ingenico Ventures SAS shares; includes a €1,880,000 provision for foreign exchange losses.
(6) Includes €1,672,000 in interest on interest rate swaps.

NOTE 17 Non-recurring income and expenses

Nature *(in thousands of euros)*	**2015**	**2014**
Non-recurring income		
Gains on disposal of assets	28	61
Gains on capital transactions [(1)]	95,790	6,747
Reversal of tax-accelerated depreciation	5,189	4,049
Reversal of provision for free share awards	-	0
Reversal of provisions for liabilities	-	-
Reversal of provisions for litigation	-	0
Reversal of provisions for taxes	-	0
Account transfers	118	0
Reversal of shareholding provisions	-	-
Other	485	1
TOTAL NON-RECURRING INCOME	**101,610**	**10,857**
Non-recurring expenses		
Losses on disposal of assets	920	371
Tax-accelerated depreciation expense	2,701	3,639
Provisions for free share awards	-	0
Provisions for litigation	-	0
Provisions for taxes	-	-
Restructuring charge, including severance pay	-	0
Losses on capital transactions [(2)]	22,240	7,281
Losses on buybacks of shares	133	0
Penalties	2,177	452
Other	-	0
TOTAL NON-RECURRING EXPENSES	**28,169**	**11,742**
Non-recurring income and expenses	**73,440**	**(884)**

(1) Includes €95.3 million in proceeds from the sale of 20% of Ingenico Holdings Asia Limited shares; includes €491,000 for redemption of Ingenico International (Pacific) Pty Ltd. preference shares.
(2) Includes a net carrying amount of €21,799,000 on 20% of Ingenico Holdings Asia Limited shares sold; includes a net carrying amount of €440,000 on Ingenico Pacific shares that were redeemed.

NOTE 18 Corporate income taxes

Income tax breakdown between profit before non-recurring items and non-recurring profit/(loss)

(in thousands of euros)	2015	2014
Profit for the year	369,939	174,214
Income tax on profit before non-recurring items	83,421	56,303
Income tax on non-recurring loss	3,847	(282)
Income tax on profit related to tax consolidation	(71)	(28)
Contribution on dividends	899	593
TOTAL INCOME TAX	**88,096**	**56,586**
Profit before income tax	**458,035**	**230,800**

Changes in deferred tax liabilities

Type of temporary difference: *(in thousands of euros)*	2015	2014
Tax effect at	**38.00%**	**38.00%**
Increase		
Regulated provisions		
Tax-accelerated depreciation and amortization	3,662	4,643
TOTAL INCREASE	**3,662**	**4,643**
Tax relief		
Provisions and expenses not deductible in accounting period		
Impairment of trade receivables	831	1,782
Solidarity contribution	122	120
Construction costs	119	105
Provision for retirement	2,681	2,853
Provision for recycling	415	386
Acquisition expenses	2,382	2,869
Equity investments	1,640	1,667
Other		
Translation losses	1,625	1,291
Other	43	0
TOTAL DECREASE	**9,859**	**11,072**

NOTE 19 Data related to several balance sheet and profit or loss account items

	Amounts involving			
	2015		2014	
Item *(in thousands of euros)*	related undertakings	in which the Company has an equity interest	related undertakings	in which the Company has an equity interest
Balance sheet items				
Equity interests	1,912,570	926	1,896,121	926
Loans and advances to subsidiaries and associates	6,605	4,605	14,384	4,132
Trade receivables and related accounts	127,063	-	85,342	-
Other receivables	43,532	-	39,733	-
Other borrowings and liabilities	173,390	-	120,365	-
Trade payables and related accounts	4,108	-	4,175	-
Other liabilities	-	-	-	-
EBIT				
Resale of purchased goods	47,092	-	45,937	-
Sales of goods produced	511,436	-	409,434	-
Sales of services	25,579	-	15,516	-
Other operating income	4,169	-	-	-
Cost of inventories consumed	(7,895)	-	(6,360)	-
Other purchases and external charges	(9,599)	-	(7,156)	-
Income taxes, taxes other than on income	(552)	-	(266)	-
Other expenses	-	-	(50)	-
Provisions and reversals for depreciation and impairment	-	-	-	-
Net financial income and expenses				
Financial income	207,725	-	80,768	-
Financial expenses	(19,380)	-	(11,549)	-
Provisions and reversals of provisions	-	-	27,350	-
Non-recurring income and expenses				
Non-recurring income	8,397	-	61	-
Non-recurring expenses	(14,100)	-	(681)	-

NOTE 20 Executive compensation

Compensation paid to members of the administrative bodies in fiscal year 2015 amounted to €400,000. Compensation paid to management bodies amounted to €2,045,000.

NOTE 21 Off-balance sheet commitments

Commitments given *(in thousands of euros)*			**2015**	**2014**
Various guarantees			7,989	7,514
Individual training rights			-	699
Liability warranty as part of Sagem Denmark disposal:				
• Tax warranty valid until expiration of time limit for tax claims (May 2013, except for transfer pricinguntil May 2016)			20,254	20,254
As part of policy to hedge foreign exchange exposure:				
On existing assets and liabilities and on future flows (revalued at closing exchange rates)				
• Forward contracts to sell GBP	GBP 8,482	(GBP 19,146 in 2014)	11,557	24,581
• Forward contracts to sell AUD	AUD 7,600	(AUD 2,297 in 2014)	5,102	1,549
• Forward contracts to sell CAD	CAD 5,974	(CAD 14,600 in 2014)	3,952	10,382
• Forward contracts to purchase CAD	CAD 361	(CAD 463 in 2014)	239	329
• Forward contracts to sell USD	USD 13,200	(USD 4,791 in 2014)	12,125	3,946
• Forward contracts to purchase USD	USD 11,300	(USD 26,300 in 2014)	10,379	21,662
• Forward contracts to sell JPY	JPY 541,743	(JPY 555 in 2014)	4,500	3,822
• AUD currency swaps	AUD (4,819)	(AUD 8,725 in 2014)	(3,235)	5,884
• GBP currency swaps	GBP 27,876	(GBP 29,449 in 2014)	37,983	37,808
• CAD currency swaps	CAD 7,879	(CAD 0 in 2014)	5,212	-
• USD currency swaps	USD 43,368	(USD 63,986 in 2014)	39,835	52,702
As part of policy to hedge foreign exchange exposure				
Interest rate swaps (Nominal at closing)			330,000	330,000
Firm price orders placed by the Group with its manufacturers			111,216	137,400
Partech Growth			9,828	13,888
Partech Entrepreneur II			790	-

Commitments received *(in thousands of euros)*	**2015**	**2014**
Ogone		
• Liability warranty as part of Ogone acquisition	89,325	89,325
The liability warranty (not including the special warranty) totaled €89,300,000,		
With the following durations:		
• tax warranties expire January 31, 2016		
• corporate warranties of unlimited duration		
• additional special warranty on tax losses on the acquisition of the Luxembourg holding company, expiring on December 31, 2016	750	750

6.5 Statutory auditors' report on the parent company annual financial statements

Fiscal year ended December 31, 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Shareholders' Meeting, we hereby report to you, for the fiscal year ended December 31, 2015, on the following:

- our audit of the attached parent company annual financial statements of Ingenico Group SA;
- the justification of our assessments;
- the specific verifications and information required by law.

These annual financial statements have been adopted by the Board of Directors. Our role is to express an opinion on these financial statements, based on our audit.

1. Opinion on the parent company annual financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the parent company annual financial statements are free of material misstatement. An audit includes examining, on a test basis or through other selection methods, evidence supporting the amounts and disclosures in the parent company annual financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the parent company annual financial statements give a true and fair view of the assets, liabilities, financial position and results of the Company as at 31 December 2015 in accordance with generally accepted accounting principles in France.

2. Justification of our assessments

In accordance with the requirements of Article L.823-9 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

- the "Goodwill" section of Note 3 to the parent company annual financial statements sets forth the accounting principles and methods used to account for the merger deficits recognized on the mergers of Xiring, Moneyline and Ingenico France with and into Ingenico SA, along with the rules used to test these deficits for impairment;
- in Note 3 to the parent company annual financial statements, the section entitled "Equity and other long-term investments" sets forth the accounting principles and methods used to calculate the value in use of equity interests and loans and advances to subsidiaries and associates.

As part of our assessment of the accounting principles and methods used by your company, we verified the suitability of the accounting principles and methods and the information provided, and we examined the implementation methods of the impairment tests, as well as the assumptions used.

The underlying estimates retained for these tests used assumptions that are uncertain by nature, the realizations may differ significantly from the forward-looking statements used.

- Provisions for litigation and claims are recognized in accordance with the accounting principles and methods described in the section entitled "Provisions for litigation and claims" in Note 3 to the parent company annual financial statements.

On the basis of information currently available, we have reviewed how the provisions have been estimated and we have verified that the notes to the parent company annual financial statements provide adequate disclosure.

These assessments were made as part of our audit of the parent company annual financial statements, taken as a whole, and therefore contributed to the opinion we formed, which is expressed in the first part of this report.

3. Specific checks and information

We have also performed the specific verifications required by law, in accordance with professional standards applicable in France.

We have no matters to report as to the fair presentation and the consistency with the parent company annual financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the shareholders with respect to the Company's financial position and annual financial statements.

With regard to the information given as provided for in Article L.225-102-1 of the French Commercial Code on the compensation and benefits paid to the Company's directors and executive officers and on commitments made to them, we verified its consistency with the parent company annual financial statements or with the data used as a basis for preparing these financial statements and, where relevant, with the elements collected by your company from companies controlling your company or controlled by it. Based on our work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have ensured that the required information concerning the purchase of equity interests and controlling interests in the Company and the names of the shareholders have been properly disclosed in the management report.

The statutory auditors

Paris - La Défense, February 18, 2016

KPMG Audit IS	Mazars	Mazars
Frédéric Quélin	Thierry Blanchetier	Ariane Mignon
Partner	*Partner*	*Partner*

6.6 Five-year financial summary

Reporting date (12-month accounting period) *(in thousands of euros)*	**Dec. 31, 2011**	**Dec. 31, 2012**	**Dec. 31, 2013**	**Dec. 31, 2014**	**Dec. 31, 2015**
Capital at year end					
Share capital in thousands of euros	51,980	52,488	53,086	57,437	60,991
Number of ordinary shares issued	51,980,303	52,487,658	53,086,309	57,436,781	60,990,600
Key income statement data					
Revenue (excluding tax)	397,857	474,646	536,385	676,637	832,112
Profit before income taxes, profit-sharing, depreciation, amortization and provisions	36,268	125,782	136,317	239,575	491,999
Income tax (incl. contr. on dividends)	(1,453)	6,883	25,344	56,587	88,096
Employee profit-sharing for the year			1,530	4,341	4,387
EPS after income taxes, profit-sharing, depreciation, amortization and provisions	7,509	92,741	81,309	174,214	369,939
Dividends distributed	25,990	36,741	42,469	57,437	
Per-share data *(in euros)*					
EPS after income taxes, profit-sharing but before depreciation, amortization and provisions	0.73	2.27	2.06	3.11	6.55
EPS after income taxes, profit-sharing, depreciation, amortization and provisions	0.14	1.77	1.53	3.03	6.07
Dividend per share [(1)]	0.50	0.70	0.80	1.00	1.30
Personnel					
Average number of employees	641	744	795	835	909
Total payroll	54,730	62,305	69,686	77,582	75,489
incl. free share awards	5,708	1,966	13	0	118
Total benefits incl. social security expenses	22,629	31,941	33,455	45,099	48,865

(1) The proposed dividend that will be submitted to the Combined Ordinary and Extraordinary Shareholders' Meeting of April 29, 2016 was decided by the Board of Directors on February 18, 2016.

7 COMBINED ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF APRIL 29, 2016

7.1 Draft agenda and proposed resolutions

Proposed agenda

Ordinary resolutions

First resolution – Approval of the annual financial statements for the year ended December 31, 2015 and approval of non-tax-deductible expenses.

Second resolution – Approval of the consolidated financial statements for the year ended December 31, 2015.

Third resolution – Allocation of net profit for the year and dividend.

Fourth resolution – Option to receive dividends in cash or in shares, determination of share price, rounding of fractional shares, option declaration period.

Fifth resolution – Statutory auditors' special report on the agreements referred to in Article L.225-38 *et seq.* of the French Commercial Code.

Sixth resolution – Statutory auditors' special report on the agreements referred to in Article L.225-42-1 of the French Commercial Code – Approval of commitments made to Mr. Philippe LAZARE.

Seventh resolution – Reappointment of MAZARS as statutory auditor.

Eighth resolution – Reappointment of Mr. Jean-Louis SIMON as alternate auditor.

Ninth resolution – Appointment of KPMG SA as statutory auditor to replace KPMG Audit IS.

Tenth resolution – Appointment of SALUSTRO REYDEL SA as alternate auditor to replace KPMG Audit ID.

Eleventh resolution – Ratification of the provisional appointment of Ms. Colette LEWINER as a director.

Twelfth resolution – Appointment of Mr. Bernard BOURIGEAUD as a director.

Thirteenth resolution – Non-replacement of Mr. Jean-Pierre COJAN as a director.

Fourteenth resolution – Reappointment of Ms. Diaa ELYAACOUBI as a director.

Fifteenth resolution – Reappointment of Ms. Florence PARLY as a director.

Sixteenth resolution – Reappointment of Mr. Thibault POUTREL as a director.

Seventeenth resolution – Reappointment of Mr. Philippe LAZARE as a director.

Eighteenth resolution – Advisory vote on the components of the compensation due or allocated to Mr. Philippe LAZARE, the Chairman and Chief Executive Officer, in respect of the year ended December 31, 2015.

Nineteenth resolution – Amount of attendance fees allocated to Board members.

Twentieth resolution – Authorization granted to the Board of Directors to trade in Company shares, pursuant to Article L.225-209 of the French Commercial Code, duration, purpose, procedure, limit, suspension of this authorization during a public offer period.

Extraordinary resolutions

Twenty-first resolution – Authorization granted to the Board of Directors to cancel shares repurchased by the Company, pursuant to Article L.225-209 of the French Commercial Code, duration, limit, suspension of this authorization during a public offer period.

Twenty-second resolution – Delegation of authority granted to the Board of Directors to issue ordinary shares conferring entitlement, where applicable, to ordinary shares and/or debt securities (of the Company or a Group company) and/or securities conferring entitlement to ordinary shares (by the Company or a Group company) with preferential subscription rights maintained, duration, maximum nominal amount of the capital increase, option to offer unsubscribed securities to the public, suspension of this authorization during a public offer period.

Twenty-third resolution – Delegation of authority granted to the Board of Directors to issue ordinary shares conferring entitlement, where applicable, to ordinary shares and/or debt securities (of the Company or a Group company) and/or securities conferring entitlement to ordinary shares (by the Company or a Group company) with preferential subscription rights waived, by a public offering and/or in consideration for securities in connection with a public exchange offer, duration, maximum nominal amount of the capital increase, issue price, option to limit to the amount of subscriptions or distribute unsubscribed securities, suspension of this authorization during a public offer period.

Twenty-fourth resolution – Delegation of authority granted to the Board of Directors to issue ordinary shares conferring entitlement, where applicable, to ordinary shares and/or debt securities (of the Company or a Group company) and/or securities conferring entitlement to ordinary shares (by the Company or a Group company) with preferential subscription rights waived, by an offer defined in Article L.411-2 II of the French Monetary and Financial Code, duration, maximum nominal amount of the capital increase, issue price, option to limit to the amount of subscriptions or distribute unsubscribed securities, suspension of this authorization during a public offer period.

Twenty-fifth resolution – Authorization to increase the issue amount in the event of excess demand, suspension of this authorization during a public offer period.

Twenty-sixth resolution – Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities conferring entitlement to shares, up to a limit of 10% of the share capital, in consideration for contributions in kind comprising capital securities or securities conferring entitlement to shares, duration, suspension of this authorization during a public offer period.

Twenty-seventh resolution – Overall limit for delegations of authority to increase the share capital immediately and/or in the future.

Twenty-eighth resolution – Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities conferring entitlement to shares, with preferential subscription rights waived, to employees who are members of a company savings plan, pursuant to Articles L.3332-18 *et seq.* of the French Labor Code, duration, maximum nominal amount of the capital increase, issue price, possibility to grant free shares pursuant to Article L.3332–21 of the French Labor Code, suspension of this authorization during a public offer period.

Twenty-ninth resolution – Delegation of authority granted to the Board of Directors to issue ordinary shares, with preferential subscription rights waived, to employees, directors and executive officers of Group companies with registered offices outside France who are not members of a company savings plan, duration, maximum amount of the capital increase, issue price, suspension of this authorization during a public offer period.

Thirtieth resolution – Delegation of authority granted to the Board of Directors to freely award new and/or existing shares to employees and/or certain directors and executive officers of the Company or related companies, with shareholders' preferential subscription rights waived, duration of the authorization, limit, duration of vesting period, particularly in the event of incapacity.

Thirty-first resolution – Amendment of Article 12 of the Articles of Association to reduce the term of office of directors from four years to three years, and to allow directors' terms of office to be staggered.

Thirty-second resolution – Amendment of Article 17 of the Articles of Association to reduce the term of office of independent advisors from four years to three years.

Thirty-third resolution – Approval of a proposed spin-off by the Company of its French distribution and export business, including the holding and management of the Axis payment platform, to its subsidiary Ingenico France.

Thirty-fourth resolution – Approval of a proposed spin-off by the Company of its research and development, product development, planning and procurement business, along with the sales of terminals to distribution subsidiaries, to its subsidiary Ingenico Terminals.

Thirty-fifth resolution – Approval of a proposed spin-off by the Company of its support activities directed toward the operational issues faced by the Group to its subsidiary Ingenico Business Support.

Thirty-sixth resolution – Powers for filing and publication formalities.

Proposed resolutions for the Annual General Shareholders' Meeting

Ordinary resolutions

First resolution – Approval of the annual financial statements for the year ended December 31, 2015 and approval of non-tax-deductible expenses

The shareholders, deliberating with the quorum and majority required for ordinary meetings, after reviewing the reports of the Board of Directors, the Chairman of the Board and the statutory auditors on the year ended December 31, 2015, hereby approve the annual financial statements, as presented, which show a net profit of €369,939,066.92.

The shareholders approve the amount of expenses and charges as defined in Article 39-4 of the French General Tax Code, *i.e.*, €106,585, as well as the related tax liability.

Second resolution – Approval of the consolidated financial statements for the year ended December 31, 2015

The shareholders, deliberating with the quorum and majority required for ordinary meetings, after reviewing the reports of the Board of Directors, the Chairman of the Board and the statutory auditors on the consolidated financial statements at December 31, 2015, hereby approve those financial statements, as presented, which show a net profit of €230,315,476.

Third resolution – Allocation of net profit for the year and dividend

The Annual General Shareholders' Meeting, upon the recommendation of the Board of Directors, deliberating with the quorum and majority required for ordinary meetings, hereby resolves to allocate the net profit/(loss) for the year ended December 31, 2015 in the following manner:

2015 net results	
• Net profit for the year	€369,939,066.92
• Retained earnings	€209,353,577.57
Allocation	
• Legal reserve	€350,000.00
• Dividends (1)	€79,287,780.00
Composed of:	
• Initial dividend	€3,049,530.00
• Additional dividend	€76,238,250.00
• Retained earnings	€499,654,864.49

(1) The total dividend amount of €79,287,780.00 is based on the number of shares with dividend rights (equal to 60,990,600), including shares owned by the Company. The dividend payable on the shares owned by the Company on the ex-dividend date shall be allocated to "Retained earnings" at the time of payment. The total dividend amount and, as a consequence, the amount of retained earnings, shall be adjusted according to the number of shares held by the Company on the ex-dividend date and, if applicable, the new shares entitled to dividends resulting from new free shares vested until this date.

The Annual General Shareholders' Meeting acknowledges that the total gr,vidend per share is set at €1.30, and that the entire amount distributed as dividends is eligible for the 40% tax reduction cited in Article 158-3-2 of the French General Tax Code.

The ex-dividend date is May 6, 2016.

Dividends shall be paid on June 3, 2016.

The total amount of the dividend paid and therefore the amount allocated to retained earnings shall be adjusted for any difference between the number of shares entitled to dividends and the 60,990,600 shares that made up the share capital at December 31, 2015.

Pursuant to Article 243 bis of the French General Tax Code, the shareholders note that the dividends and income paid in respect of the last three fiscal years were as follows:

	Dividends eligible for tax reduction		
Fiscal year	Dividends	Other amounts distributed	Dividends not eligible for tax reduction
2012	€36,741,360.60(1) or €0.70 per share	-	-
2013	€42,469,047.20(1) or €0.80 per share	-	-
2014	€57,436,781.00(1) or €1 per share	-	-

(1) Including the amount of dividends not paid on treasury shares and allocated to retained earnings.

Fourth resolution – Option to receive dividends in cash or in shares

The Annual General Shareholders' Meeting, deliberating with the quorum and majority required for ordinary meetings, after reviewing the report of the Board of Directors and in accordance with Article 23 of the Company's Articles of Association, having noted that the entire issued share capital has been fully paid up, hereby resolve to grant to each shareholder, out of the total net dividend amount and in proportion to the shares held, the option to receive the dividend in cash or in new shares.

The price for shares issued as stock dividends shall be equal to 90% of the average price quoted for the Company's shares during the twenty trading days preceding the date of this Annual General Shareholders' Meeting, less the net amount of the dividend, in accordance with Article L.232-19 of the French Commercial Code.

If the net dividend amount to be distributed in shares does not correspond to a whole number of shares, the shareholder may opt to receive:

- either the whole number of shares just below that amount, along with a cash payment for the difference paid on the date on which the option is exercised;
- or the whole number of shares just above that amount, with the difference paid in cash by the shareholder.

Shareholders opting for a dividend paid in shares must exercise this option between May 6, 2016 and May 26, 2016, inclusive, through the relevant financial intermediaries authorized to pay the dividend. Beyond this time limit, only cash dividends shall be paid.

Dividends for those shareholders who opt for a cash payment are payable on June 3, 2016. Those shareholders who opt for a dividend in shares will receive the new shares on the distribution date for cash dividends, *i.e.*, June 3, 2016.

The shares issued in respect of the dividend payment shall be entitled to dividends from January 1, 2016.

The Annual General Shareholders' Meeting hereby resolves to grant the necessary powers to the Board of Directors, with the option to sub-delegate, to perform all actions required to implement this resolution, to record the number of shares issued and the capital increase arising from the new shares issued as stock dividends, to amend the Articles of Association accordingly, and to proceed with all publication and filing formalities.

Fifth resolution – Statutory auditors' special report on the agreements referred to in Article L.225-38 *et seq.* of the French Commercial Code

The Annual General Shareholders' Meeting, deliberating with the quorum and majority required for ordinary meetings, and after reviewing the statutory auditors' special report referred to in Article L.225-40 of the French Commercial Code, (i) acknowledges the information about the agreements concluded and the commitments made in prior years, and (ii) acknowledges that no new related party agreements were entered into during the year ended December 31, 2015.

Sixth resolution – Statutory auditors' special report on the agreements referred to in Article L.225-42-1 of the French Commercial Code – Approval of commitments made to Mr. Philippe Lazare

The Annual General Shareholders' Meeting, deliberating with the quorum and majority required for ordinary meetings, after reviewing the statutory auditors' special report, and in accordance with Article L.225-42-1 of the French Commercial Code, hereby approves the agreement concluded with Mr. Philippe Lazare, as amended on February 29, 2016 and described in the same report, and acknowledges that this decision shall be valid under Article L.225-42-1 paragraph 4 of the French Commercial Code on the condition that the Board of Directors renews the term of office of Mr. Philippe Lazare as Chairman and Chief Executive Officer of Ingenico Group on the day of this Meeting.

Seventh resolution – Reappointment of MAZARS as statutory auditor

As recommended by the Board of Directors, the Annual General Shareholders' Meeting, deliberating with the quorum and majority required for ordinary meetings, hereby renews the appointment of MAZARS, whose term expires at the close of this meeting, as statutory auditor for a term of six years, or until the close of the Ordinary Annual Shareholders' Meeting to be held in the year 2022 and called to approve the financial statements for the year ending December 31, 2021.

Eighth resolution – Reappointment of Mr. Jean-Louis SIMON as alternate auditor

As recommended by the Board of Directors, the Annual General Shareholders' Meeting, deliberating with the quorum and majority required for ordinary meetings, hereby renews the appointment of Mr. Jean-Louis SIMON, whose term expires at the close of this meeting, as alternate auditor for a term of six years, or until the close of the Ordinary Annual Shareholders' Meeting to be held in the year 2022 and called to approve the financial statements for the year ending December 31, 2021.

Ninth resolution – Appointment of KPMG SA as statutory auditor to replace KPMG Audit IS

As recommended by the Board of Directors, the Annual General Shareholders' Meeting, deliberating with the quorum and majority required for ordinary meetings, hereby appoints KPMG SA, to replace KPMG Audit IS whose term expires at the close of this meeting, as statutory auditor for a term of six years, or until the close of the Ordinary Annual Shareholders' Meeting to be held in the year 2022 and called to approve the financial statements for the year ending December 31, 2021.

Tenth resolution – Appointment of SALUSTRO REYDEL SA as alternate auditor, to replace KPMG Audit ID

As recommended by the Board of Directors, the Annual General Shareholders' Meeting, deliberating with the quorum and majority required for ordinary meetings, hereby appoints SALUSTRO REYDEL SA, to replace KPMG Audit ID whose term expires at the close of this meeting, as alternate auditor for a term of six years, or until the close of the Ordinary Annual Shareholders' Meeting to be held in the year 2022 and called to approve the financial statements for the year ending December 31, 2021.

Eleventh resolution – Ratification of the provisional appointment of Ms. Colette LEWINER as a director

The shareholders, deliberating with the quorum and majority required for ordinary meetings, hereby ratify the provisional appointment of Ms. Colette LEWINER as a director, made by the Board of Directors at its meeting of October 22, 2015, to replace Ms. Céleste THOMASSON, who resigned.

Consequently, Ms. LEWINER will serve out the remaining term of office of her predecessor, *i.e.* until the end of the Shareholders' Meeting held in 2018 and called to approve the financial statements for the previous year.

Twelfth resolution – Appointment of Mr. Bernard BOURIGEAUD as a director

The shareholders, deliberating with the quorum and majority required for ordinary meetings, hereby resolve to appoint Mr. Bernard BOURIGEAUD as a director, for a term of one year, expiring at the end of the Annual General Shareholders' Meeting to be held in 2017 and called to approve the financial statements for the previous year, subject to the adoption of the 31st resolution of this meeting, or else for a four-year term expiring at the end of the Annual General Shareholders Meeting to be held in 2020 and called to approve the financial statements for the previous year.

Thirteenth resolution – Non-replacement of Mr. Jean-Pierre COJAN as a director

The shareholders, deliberating with the quorum and majority required for ordinary meetings, acknowledge the end of Mr. Jean-Pierre COJAN's term of office as a director, who has resigned.

Fourteenth resolution – Reappointment of Ms. Diaa ELYAACOUBI as a director

The shareholders, deliberating with the quorum and majority required for ordinary meetings, hereby resolve to reappoint Ms. Diaa ELYAACOUBI as a director for a term of three years, expiring at the end of the meeting to be held in 2019 and called to approve the financial statements for the previous year, subject to the adoption of the 31st resolution of this meeting, or else for a four-year term expiring at the end of the meeting to be held in 2020 and called to approve the financial statements for the previous year.

Fifteenth resolution – Reappointment of Ms. Florence PARLY as a director

The shareholders, deliberating with the quorum and majority required for ordinary meetings, hereby resolve to reappoint Ms. Florence PARLY as a director for a term of three years, expiring at the end of the meeting to be held in 2019 to approve the financial statements for the previous year, subject to the adoption of the 31st resolution of this meeting, or else for a four-year term expiring at the end of the meeting to be held in 2020 and called to approve the financial statements for the previous year.

Sixteenth resolution – Reappointment of Mr. Thibault POUTREL as a director

The shareholders, deliberating with the quorum and majority required for ordinary meetings, hereby resolve to reappoint Mr. Thibault POUTREL as a director for a term of one year, expiring at the end of the meeting to be held in 2017 to approve the financial statements for the previous year, subject to the adoption of the 31st resolution of this meeting, or else for a four-year term expiring at the end of the meeting to be held in 2020 and called to approve the financial statements for the previous year.

Seventeenth resolution – Reappointment of Mr. Philippe LAZARE as a director

The shareholders, deliberating with the quorum and majority required for ordinary meetings, hereby resolve to reappoint Mr. Philippe LAZARE as a director for a term of three years, expiring at the end of the meeting to be held in 2019 to approve the financial statements for the previous year, subject to the adoption of the 31st resolution of this meeting, or else for a four-year term expiring at the end of the meeting to be held in 2020 and called to approve the financial statements for the previous year.

Eighteenth resolution – Advisory vote on the components of the compensation due or allocated to Mr. Philippe LAZARE, the Chairman and Chief Executive Officer, in respect of the year ended December 31, 2015

The shareholders, deliberating with the quorum and majority required for ordinary meetings, having been consulted as recommended in Article 24.3 of the AFEP-MEDEF Corporate Governance Code of November 2015, which the Company uses as a reference in accordance with Article L.225-37 of the French Commercial Code, hereby vote in favor of the components of the compensation due or allocated to Mr. Philippe LAZARE, the Chairman and Chief Executive Officer, in respect of the year ended December 31, 2015, as presented in section 3.3.1 of the 2015 Registration Document.

Nineteenth resolution – Amount of attendance fees allocated to Board members

The shareholders, deliberating with the quorum and majority required for ordinary meetings, hereby resolve to increase the total annual amount of attendance fees to be allocated to the Board of Directors from €500,000 to €550,000.

This decision, which will apply for the current fiscal year, will be maintained until decided otherwise.

Twentieth resolution – Authorization granted to the Board of Directors to trade in Company shares, pursuant to Article L.225-209 of the French Commercial Code

The shareholders, deliberating with the quorum and majority required for ordinary meetings, after reviewing the report of the Board of Directors, hereby resolve to authorize the Board of Directors, in accordance with Articles L.225-209 *et seq.* of the French Commercial Code, Articles 241-1 to 241-6 of the General Regulations of the Autorité des marchés financiers, Commission Regulation (EC) No 2273/2003 of December 22, 2003 and the market practices authorized by the regulations, to trade in the Company's shares by any means, on or off the stock market, and in one or more transactions.

This authorization is intended to allow the Company to do the following:

- to hold and use Company shares as a means of exchange or consideration in external growth transactions (in compliance with current laws and regulations and with standard market practices);
- to use Company shares in connection with the exercise of rights attached to Company securities conferring immediate or future entitlement to Company shares through conversion, exercise, redemption or exchange, presentation of a warrant or by any other means, and carry out any transactions required to hedge the Company's obligations in connection with these securities, in accordance with the stock market regulations at the time that the Board of Directors or any person to whom the Board has delegated its powers may act;
- to implement any Company stock option plan granted in accordance with Articles L.225-177 *et seq.* of the French Commercial Code, any award, in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code, of free Company shares to employees, directors and executive officers, whether as part of their compensation, as a means to allow them to benefit from the Company's growth or in connection with a Company or Group employee shareholding or savings plan and/or any other form of share allocation programs for employees and/or directors and executive officers of the Group, and to carry out any transactions required to hedge the Company's obligations in connection with these programs, in accordance with the stock market regulations at the time that the Board of Directors or any person to whom the Board has delegated its powers may act;
- to maintain a liquid market for the Company's shares via a liquidity contract with an independent investment service provider that complies with the code of ethics approved by the regulations;
- to cancel some or all of the Company's shares bought back with the intention of reducing the share capital, in accordance with an authorization granted or to be granted by the Extraordinary Shareholders Meeting;
- and to generally pursue any aims permitted by law or engage in any market practices that may be authorized by the market authorities, it being understood that in such cases, the Company would issue a statement to inform its shareholders.

The shareholders hereby resolve that the number of Company shares acquired under this authorization shall not exceed 10% of the total number of shares making up the share capital on the date of purchase, after deducting the number of shares resold during the program to maintain a liquid market for the Company's shares, while noting that the share acquisitions made by the Company may under no circumstances permit the Company to hold more than 10% of its total share capital, either directly or indirectly. Consequently, on the basis of the share capital at December 31, 2015 (divided into 60,990,600 shares), and taking into account the 276,294 treasury shares held at that date, the Company would be authorized to purchase up to 5,822,766 shares.

Shares may be acquired by any means that are in accordance with current stock market regulations and acceptable market practices, including, where applicable, trading in derivatives and options on regulated or over-the-counter markets, provided that use of such means does not significantly increase the volatility of the Company's share price.

However, such transactions may not be carried out during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period.

Shares may be purchased by any means, including through the acquisition of blocks of shares, and at such times as the Board of Directors deems appropriate.

The purchase price per share is not to exceed €180. On the basis of the share capital at December 31, 2015, including the treasury shares held by the Company at that date, the maximum consideration the Company could pay, if purchasing shares at the maximum price of €180, would be €1,048,097,880.

In the event of capital increases carried out by incorporation of retained earnings or free share awards, or in the event of stock splits or reverse splits, depreciation or reduction of the share capital, or any other transaction affecting the share capital, the aforementioned price shall be adjusted by a multiplier equal to the ratio between the number of shares that made up the share capital prior to the transaction and the number of shares after the transaction.

In order to ensure the implementation of the present authorization, the Board of Directors is hereby granted the necessary powers, with the option to sub-delegate, to perform any and all actions, in particular to decide whether a share repurchase program is appropriate and to determine the procedures for carrying out such a program, to draft and issue a fact sheet about the program, to place all orders on the stock market, to sign all deeds of transfer or assignment, to enter into all agreements required, particularly for the keeping of records of share purchases and sales, to carry out any and all filings with the Autorité des marchés financiers and any other body, as well as any and all other formalities, including allocating or reallocating purchased shares for their various intended purposes, and generally to do whatever is required.

The present authorization is hereby granted for a period of 18 months from the date of this Annual General Shareholders' Meeting and replaces the authorization granted to the same effect by the Annual General Shareholders' Meeting of May 6, 2015.

Extraordinary resolutions

Twenty-first resolution – Authorization granted to the Board of Directors to cancel shares repurchased by the Company, pursuant to Article L.225-209 of the French Commercial Code

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors and the statutory auditors' report:

1) grant the Board of Directors the authorization to cancel, at its sole discretion, on one or more occasions, up to 10% of the share capital calculated on the day of the decision to cancel, less any shares canceled during the previous 24 months, any shares that the company holds or may hold as a result of buybacks made pursuant to Article L.225-209 of the French Commercial Code, and to reduce the share capital proportionately in accordance with the applicable laws and regulations;
2) resolve that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not use this authorization during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period;
3) grant this delegation of authority for a period of 24 months from the date of this meeting;
4) grant all powers to the Board of Directors to complete the transactions necessary for such cancellations and the corresponding reductions of the share capital, to amend the Articles of Association, and to complete all necessary formalities.

Twenty-second resolution – Delegation of authority granted to the Board of Directors to issue ordinary shares conferring entitlement, where applicable, to ordinary shares and/or debt securities (of the Company or a Group company) and/or securities conferring entitlement to ordinary shares (by the Company or a Group company) with preferential subscription rights maintained

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors and the statutory auditors' special report, and in accordance with the French Commercial Code, in particular Articles L.225-129-2, L.228-92 and L.225-132 *et seq.*:

1) delegate their authority to the Board of Directors to issue, in one or more transactions, in the proportions and at the times it determines, either in euros or in foreign currencies or in any other monetary units determined with reference to a basket of currencies:
   - ordinary shares,
   - and/or ordinary shares conferring entitlement to other ordinary shares or debt securities,
   - and/or securities conferring entitlement to ordinary shares to be issued.

   In accordance with Article L.228-93 of the French Commercial Code, the securities to be issued may confer entitlement to ordinary shares to be issued by any company directly or indirectly holding more than half of the Company's share capital or in which the Company directly or indirectly holds more than half of the share capital;
2) grant this delegation of authority for a period of 26 months from the date of this meeting;
3) resolve to set the following limits for the amounts of any issues that may be carried out by the Board of Directors under this delegation of authority:
   The aggregate nominal amount of ordinary shares that may be issued under this delegation of authority may not exceed €30,000,000.

   This limit includes the aggregate nominal amount of any capital increases that may be carried out immediately or in the future under the delegations of authority granted by the 23rd, 24th, 25th and 26th resolutions.

   This limit does not include the aggregate nominal amount of any additional ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to the Company's shares.

The nominal amount of Company debt securities that may be issued under this delegation of authority may not exceed €1,500,000,000.

4) if the Board of Directors makes use of this delegation of authority in connection with the issues indicated in (1) above:

a/ resolve that such issues of ordinary shares or securities conferring entitlement to shares shall be reserved in priority for shareholders that will be able to subscribe on a pre-emptive basis,

b/ resolve that if subscriptions on a pre-emptive basis and, as relevant, on a non-pre-emptive basis, have not accounted for the entirety of an issue indicated in 1), the Board of Directors may make use of the following options:

- limiting the amount of the issue to the amount of subscriptions, within any regulatory limits in force, as relevant,
- freely distributing some or all of any unsubscribed securities,
- offering some or all of any unsubscribed securities to the public;

5) resolve that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not make use of this delegation of authority at any time during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period;

6) resolve that the Board of Directors shall be granted the necessary powers, subject to the limits set forth above, to determine the terms, conditions and issue price for any and all issues carried out, to record the resulting capital increases, to amend the Articles of Association accordingly, to resolve, at its sole discretion, to charge the issue-related expenses against the related share premium accounts and to deduct from these premium accounts the amounts necessary to increase the legal reserve to one tenth of the share capital amount after each capital increase, and, generally, to do whatever is required in each case;

7) acknowledge that this delegation of authority cancels and replaces any previous delegation of authority with the same purpose.

Twenty-third resolution – Delegation of authority granted to the Board of Directors to issue ordinary shares conferring entitlement, where applicable, to ordinary shares and/or debt securities (of the Company or a Group company) and/or securities conferring entitlement to ordinary shares (by the Company or a Group company) with preferential subscription rights waived, by a public offering and/or in consideration for securities in connection with a public exchange offer

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors and the statutory auditors' special report, and in accordance with the French Commercial Code, in particular Articles L.225-129-2, L.225-136, L.225-148 and L.228-92:

1) delegate their authority to the Board of Directors to issue, in one or more transactions, in the proportions and at the times it determines, on French and/or international markets, through a public offering, either in euros or in foreign currencies or in any other monetary units determined with reference to a basket of currencies:

- ordinary shares,
- and/or ordinary shares conferring entitlement to other ordinary shares or debt securities,
- and/or securities conferring entitlement to ordinary shares to be issued.

Such securities may be issued in consideration for securities transferred to the Company in connection with a public exchange offer on securities in accordance with the conditions of Article L.225-148 of the French Commercial Code.

In accordance with Article L.228-93 of the French Commercial Code, the securities to be issued may confer entitlement to ordinary shares to be issued by any company directly or indirectly holding more than half of the Company's share capital or in which the Company directly or indirectly holds more than half of the share capital;

2) grant this delegation of authority for a period of 26 months from the date of this meeting;

3) the aggregate nominal amount of ordinary shares that may be issued under this delegation of authority may not exceed €6,099,060.

This limit does not include the aggregate nominal amount of any additional ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to the Company's shares.

This amount shall be deducted from the overall ceiling on capital increases that may be carried out under the 27th resolution.

The nominal amount of Company debt securities that may be issued under this delegation of authority may not exceed €1,500,000,000.

This amount shall be deducted from the overall nominal ceiling on debt securities that may be issued under the 27th resolution;

4) resolve to waive the preferential subscription rights of shareholders to ordinary shares and securities conferring entitlement to shares and/or debt securities subject to this resolution, while allowing the Board of Directors the option to grant shareholders a priority right, in compliance with applicable laws;

5) resolve that any sum paid or to be paid to the Company in consideration for each ordinary share issued under this delegation of authority, after taking into account the issue price for any stock warrants issued, will be at least equal to the minimum legal and regulatory amount required at the time of the Board of Directors' use of this delegation;

6) resolve that, if securities are issued in consideration for securities tendered as part of a public exchange offer, the Board of Directors shall have the necessary powers, under the conditions defined in Article L.225-148 of the French Commercial Code and subject to the limits set forth above, to determine the list of securities tendered for the exchange, to determine the issue conditions, the exchange ratio and, if applicable, the amount of the cash balance to be paid, and to determine the conditions for the issue;

7) resolve that if the subscriptions have not accounted for the entire amount of an issue indicated in 1), the Board of Directors may make use of the following options:
   - limiting the amount of the issue to the amount of subscriptions, within any regulatory limits in force, as relevant,
   - freely distributing some or all of any unsubscribed securities;
8) resolve that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not make use of this delegation of authority at any time during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period;
9) resolve that the Board of Directors shall be granted the necessary powers, subject to the limits set forth above, to determine the terms and conditions for any and all issues carried out, to record the resulting capital increases, to amend the Articles of Association accordingly, to resolve, at its sole discretion, to charge the issue-related expenses against the related share premium accounts and to deduct from these premium accounts the amounts necessary to increase the legal reserve to one tenth of the share capital amount after each capital increase, and, generally, to do whatever is required in each case;
10) acknowledge that this delegation of authority cancels and replaces any previous delegation of authority with the same purpose.

Twenty-fourth resolution – Delegation of authority granted to the Board of Directors to issue ordinary shares conferring entitlement, where applicable, to ordinary shares and/or debt securities (of the Company or a Group company) and/or securities conferring entitlement to ordinary shares (by the Company or a Group company) with preferential subscription rights waived, by an offer defined in Article L.411-2 II of the French Monetary and Financial Code

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors and the statutory auditors' special report, and in accordance with the French Commercial Code, in particular Articles L.225-129-2, L.225-136 and L.228-92:

1) delegate their authority to the Board of Directors to issue, in one or more transactions, in the proportions and at the times it determines, on French and/or international markets, through an offering defined in Article L.411-2 II of the French Monetary and Financial Code, either in euros or in foreign currencies, or in any other monetary unit determined with reference to a basket of currencies:
   - ordinary shares, and/or
   - ordinary shares conferring entitlement to other ordinary shares or debt securities, and/or
   - securities conferring entitlement to ordinary shares to be issued.

   In accordance with Article L.228-93 of the French Commercial Code, the securities to be issued may confer entitlement to ordinary shares to be issued by any company directly or indirectly holding more than half of the Company's share capital or in which the Company directly or indirectly holds more than half of the share capital;
2) grant this delegation of authority for a period of 26 months from the date of this meeting;
3) the aggregate nominal amount of ordinary shares that may be issued under this delegation of authority may not exceed €6,099,060.

   This limit does not include the aggregate nominal amount of any additional ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to the Company's shares.

   This amount shall be deducted from the overall ceiling on capital increases that may be carried out under the 27th resolution.

   The nominal amount of Company debt securities that may be issued under this delegation of authority may not exceed €1,500,000,000.

   This amount shall be deducted from the overall ceiling on capital increases that may be carried out under the 27th resolution;
4) resolve to waive preferential subscription rights for shareholders to ordinary shares and debt securities conferring entitlement to shares and/or debt securities subject to this resolution;
5) resolve that any sum paid or to be paid to the Company in consideration for each ordinary share issued under this delegation of authority will be at least equal to the minimum legal and regulatory amount required at the time of the Board of Directors' use of this delegation;
6) resolve that if the subscriptions have not accounted for the entire amount of an issue indicated in 1), the Board of Directors may make use of the following options:
   - limiting the amount of the issue to the amount of subscriptions, within any regulatory limits in force, as relevant,
   - freely distributing some or all of any unsubscribed securities;
7) resolve that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not make use of this delegation of authority at any time during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period;
8) resolve that the Board of Directors shall be granted the necessary powers, subject to the limits set forth above, to determine the terms and conditions for any and all issues carried out, to record the resulting capital increases, to amend the Articles of Association accordingly, to resolve, at its sole discretion, to charge the issue-related expenses against the related share premium accounts and to deduct from these premium accounts the amounts necessary to increase the legal reserve to one tenth of the share capital amount after each capital increase, and, generally, to do whatever is required in each case;
9) acknowledge that this delegation of authority cancels and replaces any previous delegation of authority with the same purpose.

Twenty-fifth resolution – Authorization to increase the issue amount in the event of excess demand

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors, resolve that for each issue of ordinary shares or securities conferring entitlement to shares decided upon in accordance with the 22nd, 23rd and 24th resolutions above, the number of securities to be issued may be increased under the conditions defined by Articles L.225-135-1 and R. 225-118 of the French Commercial Code and subject to the maximum limits set by the meeting in the event of excess demand noted by the Board of Directors.

The shareholders resolve that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not use this authorization during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period.

Twenty-sixth resolution – Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities conferring entitlement to shares, up to a limit of 10% of the share capital, in consideration for contributions in kind comprising capital securities or securities conferring entitlement to shares

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the reports of the Board of Directors and the statutory auditors, and in accordance with Articles L.225-147 and L.228-92 of the French Commercial Code:

1) authorize the Board of Directors, based on the report by the transfer agent *(commissaire aux apports)*, to issue ordinary shares or securities conferring entitlement to ordinary shares in consideration for contributions in kind granted to the Company and comprising capital securities or securities conferring entitlement to shares when the provisions of Article L.225-148 of the French Commercial Code do not apply;
2) grant this delegation of authority for a period of 26 months from the date of this meeting;
3) resolve that the aggregate nominal amount of ordinary shares that may be issued under this delegation of authority may not exceed 10% of the capital on the date of this meeting; this limit does not include the aggregate nominal amount of any ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to the Company's shares. This amount shall be deducted from the overall ceiling on capital increases provided for in the 27th resolution;
4) resolve that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not make use of this delegation of authority at any time during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period;
5) delegate full powers to the Board of Directors with a view to approving the valuation of the contributions, deciding on the resulting capital increase, recording its completion, charging any expenses and duties incurred by the capital increase against the acquisition premium, deducting from the acquisition premium any sums required to take the legal reserve up to one tenth of the new capital after each capital increase, amending the Articles of Association accordingly, and doing whatever is required in each case;
6) acknowledge that this delegation of authority cancels and replaces any previous delegation of authority with the same purpose.

Twenty-seventh resolution – Overall limit for delegations of authority to increase the share capital immediately and/or in the future

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors, and further to the adoption of the previous resolutions, hereby resolve to:

- set the maximum nominal amount of capital increases that may be carried out, immediately or in the future, under the delegations of authority and authorizations granted by the 23rd, 24th, 25th and 26th resolutions, at 10% of the share capital on the date of this meeting, in addition to the capital increases that may be carried out under these resolutions, which shall be included in the aggregate nominal amount of shares that may be issued, as provided for in the 22nd resolution. This nominal amount does not include, where applicable, the aggregate nominal amount of any Company shares to be issued in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to shares;
- set the maximum aggregate nominal amount of debt securities that may be issued under the 23rd, 24th and 25th resolutions at €1,500,000,000.

Twenty-eighth resolution – Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities conferring entitlement to shares, with preferential subscription rights waived, to employees who are members of a company savings plan, pursuant to Articles L.3332-18 *et seq.* of the French Labor Code

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors and the statutory auditors' special report, and in accordance with Articles L.225-129-6, L.225-138-1 and L.228-92 of the French Commercial Code and Articles L.3332-18 *et seq.* of the French Labor Code, hereby resolve to:

1) delegate their authority to the Board of Directors, at its discretion, to increase the share capital in one or more transactions by issuing ordinary shares or securities conferring entitlement to Company shares to employees who are members of one or more Company or Group savings plans established by the Company and/or the French or foreign entities under its control, as defined in Article L.225-180 of the French Commercial Code and in Article L.3344-1 of the French Labor Code;
2) waive, for the benefit of such people, any preferential subscription rights on shares that may be issued under this delegation of authority;
3) grant this delegation of authority for a period of 26 months from the date of this meeting;
4) limit the maximum aggregate nominal amount of the capital increases that may be carried out under this delegation of authority to 2% of the share capital on the date of the decision by the Board of Directors; this limit is independent of any other maximum limits set in authorizations to increase the share capital; this limit shall not include the aggregate nominal amount of any additional ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to the Company's shares;

5) resolve that the subscription price of the shares to be issued pursuant to paragraph 1) of this resolution shall not be more than 20% lower than the average of the opening prices quoted for the Company's shares on the stock market over the 20 trading days preceding the date of the Board of Directors' decision to carry out a capital increase and the corresponding share issue, or more than 30% lower if the vesting period provided for in the savings plan in accordance with Articles L.3332-25 and L.3332-26 of the French Labor Code is ten years or more, nor may the subscription price exceed said average;
6) resolve that the Board of Directors shall be authorized, pursuant to Article L.3332-21 of the French Labor Code, to award new or existing shares, or other securities conferring entitlement to the Company's shares, free of consideration, to the beneficiaries mentioned in the first paragraph above, either (i) to provide the matching contributions required by the Company or Group savings plan regulations and/or (ii) to offset any discount to the share price;
7) resolve that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not make use of this delegation of authority at any time during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period;
8) acknowledge that this delegation of authority cancels and replaces any previous delegation of authority with the same purpose.

The Board of Directors shall be empowered to decide whether or not to make use of this delegation of authority, and to perform all necessary acts and proceed with the requisite formalities.

Twenty-ninth resolution – Delegation of authority granted to the Board of Directors to issue ordinary shares, with preferential subscription rights waived, to employees, directors and executive officers of Group companies with registered offices outside France who are not members of a company savings plan

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors and the statutory auditors' special report, and in accordance with Articles L.225-129-2 and L.225-138 of the French Commercial Code:

1) delegate their authority to the Board of Directors, with the option to sub-delegate as provided for by law, to issue ordinary Company shares, in one or more transactions, reserved for employees, directors and executive officers of subsidiaries under the Company's control as defined in Article L.233-16 of the French Commercial Code, which have their head office outside France (hereinafter the "Subsidiaries"), which may be paid for either in cash or by offsetting receivables;
2) resolve that (i) the aggregate nominal amount of the capital increases carried out under this delegation of authority shall not exceed 2% of the share capital on the date of the decision by the Board of Directors setting the start of the subscription period, while noting that this limit does not include the aggregate nominal amount of any additional ordinary shares of the Company to be issued in compliance with current laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities or other rights entitling them to Company shares; and (ii) the aggregate nominal amount of any increases in the Company's share capital, carried out immediately or in the future, resulting from the issuance of shares under this delegation of authority, shall not be subject to any other limit with respect to authorizations to increase the share capital;
3) acknowledge that the Board of Directors, with the option to sub-delegate as provided for by law, may decide to issue shares reserved for employees, directors and executive officers of Subsidiaries concurrently with, or independently of, one or more share subscriptions open to existing shareholders, to employees who are members of a Group savings plan or to third parties;
4) resolve that the subscription price for the new shares shall be determined by the Board of Directors on the date that it shall set the start of the subscription period, using one of the following two methods, at the discretion of the Board of Directors:
   - the subscription price shall be equal to the average of the opening prices quoted for Ingenico Group's shares on the Euronext Paris stock market over the twenty trading days preceding the date of the Board of Directors' decision, less a maximum discount of 20%, or
   - the subscription price shall be equal to the opening price quoted for Ingenico Group's shares on the Euronext Paris stock market on the date of the Board of Directors' decision, less a maximum discount of 20%, it being specified that the method to be applied or the amount of discount to be deducted may vary according to the capital increases or the beneficiaries involved;
5) resolve to waive shareholders' preferential subscription rights to shares to be issued to employees, directors and executive officers of the Subsidiaries;
6) resolve that the Board of Directors shall have the necessary powers, with the option to sub-delegate as provided for by law, to implement this delegation of authority and to accomplish the following in particular:
   - determine the date, terms and methods to be used in the issue of shares with or without premiums, and determine the aggregate number of shares to be issued,
   - determine the list of beneficiaries among employees, directors and executive officers of the Subsidiaries,
   - determine the number of shares that may be subscribed by each of them,
   - set the subscription price of the shares, in compliance with the methods set forth in 4) above,
   - set the terms of payment for the shares within the statutory framework,
   - set the date from which the shares to be issued shall be entitled to dividends,
   - limiting the amount of the issue to the amount of subscriptions, within any regulatory limits in force, as relevant,
   - if applicable, charge any costs against the issue premium or premiums, particularly issuance costs,
   - if applicable, request the admission of the new shares to trading on the Euronext Paris stock market or on any other regulated stock market,
   - enter into all agreements required to ensure the successful completion of the planned issues and amend the Articles of Association accordingly,
   - do whatever is necessary to safeguard the rights of holders of securities conferring future entitlement to Company shares in compliance with applicable laws and regulations,
   - and generally determine the terms and conditions for the transactions carried out pursuant to this resolution, record the resulting capital increase and perform all legal formalities required in compliance with Articles L.225-129-2 and L.225-138 of the French Commercial Code;

7) resolve that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not make use of this delegation of authority at any time during a public offer period initiated on the Company's shares by a third party, and until the end of such an offer period;
8) resolve that this delegation of authority is hereby granted for a period of 18 months from the date of this meeting and cancels and replaces any remaining unused balance under any previous delegation of authority with the same purpose.

Thirtieth resolution – Delegation of authority granted to the Board of Directors to freely award new and/or existing shares to employees and/or certain directors and executive officers of the Company or related companies

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors and the statutory auditors' special report, and in accordance with Articles L.225-197-1 and L.225-197-2 of the French Commercial Code, authorize the Board of Directors to award new or existing ordinary Company shares, in one or more transactions, to:

- employees of the Company or companies that are directly or indirectly related to it as defined by Article L.225-197-2 of the French Commercial Code; and/or
- directors and executive officers who satisfy the conditions defined by Article L.225-197-1 of the French Commercial Code.

The total number of shares freely awarded in this way may not exceed 5% of the share capital on the date of this meeting. The total number of shares that may be freely awarded to the directors and executive officers of the Company may not exceed 2% of the share capital within this initial total. In addition, the final allocation of free shares to officers of the Company shall, by a decision of the Board of Directors, be subject to a minimum of two performance criteria assessed over a minimum vesting period of three years.

The shares shall be vested at the end of a vesting period of at least three years set by the Board of Directors. The Board of Directors may also decide to set a holding period at the end of the vesting period.

On an exceptional basis, shares may be vested before the end of the vesting period if the beneficiary is classed as incapacitated under the terms of the second and third categories detailed in Article L.341-4 of the French Social Security Code.

The Board of Directors is granted the necessary powers to:

- set the conditions and, if applicable, the criteria for awarding shares;
- determine the identity of beneficiaries and the number of shares awarded to each beneficiary;
- if applicable:
  - acknowledge the existence of sufficient reserves and, at the time of each award, transfer the necessary sums into an unavailable reserves account as required to pay up the new shares to be awarded,
  - decide, at the appropriate time, on any capital increases by incorporation of retained earnings, premiums or profits corresponding to the issuance of free shares,
  - acquire the shares required via the share repurchase program and allocate them to the share plan,
  - in terms of beneficiaries' rights, determine the impacts of transactions modifying the share capital or likely to affect the value of shares awarded and exercised during the vesting period, and modify or adjust the number of shares awarded accordingly, if necessary, to safeguard the rights of beneficiaries,
  - acknowledge the fulfillment of the conditions required for the vesting of free shares, and
  - generally, do whatever is necessary to implement this authorization in accordance with the legislation in force.

Under this authorization, shareholders waive their preferential subscription rights to the new shares issued by incorporation of retained earnings, share premiums and net profits.

This authorization is granted for 38 months from the date of this meeting.

It cancels and replaces any previous authorizations with the same purpose.

Thirty-first resolution – Amendment of Article 12 of the Articles of Association to reduce the term of office of directors from four years to three years, and to maintain the staggering of directors' terms of office

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors, hereby resolve to reduce the maximum term of office for directors from four years to three years, and to maintain the staggering of directors' terms of office, it being understood that directors in office shall serve out their original terms.

Accordingly, the shareholders hereby resolve to amend paragraph 2 of Article 12 of the Articles of Association as follows, with the rest of the Article remaining unchanged:

"Directors are appointed by the Annual General Shareholders' Meeting and may be removed by it. The term of office of directors shall be set at three years. Exceptionally, and in order to stagger the renewal of the directors' terms of office, the Ordinary Shareholders' Meeting may appoint or reappoint directors for terms of one or two years."

Thirty-second resolution – Amendment of Article 17 of the Articles of Association to reduce the term of office of independent advisors from four years to three years.

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors, hereby resolve to reduce the maximum term of office of independent advisors from four years to three years, it being understood that independent advisors in office shall serve out their original terms.

Accordingly, the shareholders hereby resolve to amend paragraph 2 of Article 17 of the Articles of Association as follows, with the rest of the Article remaining unchanged:

"Independent advisors are invited to and participate in meetings of the Board of Directors in an advisory capacity. They are appointed for three years and may be reappointed, and may at any time be dismissed under the same conditions.»

Thirty-third resolution – Approval of a proposed spin-off by the Company of its French distribution and export business, including the holding and management of the Axis payment platform, to its subsidiary Ingenico France

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the following documents:

- the opinion of the Works Council dated February 11, 2016;
- the report of the Board of Directors;
- the reports of the independent valuation experts appointed by order of the President of the Paris Commercial Court, dated November 26, 2015;
- the partial asset transfer agreement of February 29, 2016 between the Company and its subsidiary Ingenico France, a simplified joint stock company with share capital of €18,500, which has its head office at 28/32 boulevard de Grenelle, 75015 Paris, listed in the Paris Trade and Companies Register under number 538 600 404 ("**Ingenico France**"); and
- the respective annual financial statements and management reports of the Company and of Ingenico France, made available to the shareholders in accordance with applicable regulations.

1. **Hereby approve:**
    - the partial asset transfer agreement, by which the Company transfers to Ingenico France, under the legal regime for corporate spin-offs, all the assets, rights and obligations, as well as the liabilities comprising Ingenico's complete and independent distribution activities in France and its export activities from France, including the holding and management of the Axis platform, subject to the condition precedent of the approval by the sole shareholder of Ingenico France of the said transfer, its valuation, the consideration therefor, and the consequential increase in Ingenico France's share capital;
    - the valuation which is calculated based on the estimated net carrying amounts at the effective date of €143,728,765 for the transferred assets, and of €60,268,390 for the assumed liabilities, or a net value for the transferred assets of €83,460,375;
    - the allocation to the Company, in consideration for the completed partial transfer of assets, of 166,920,750 new Ingenico France shares, with a par value of fifty euro cents (€0.50) each, to be created by Ingenico France by way of a capital increase;
    - the setting of the effective date for the transfer in terms of its legal, accounting and tax consequences as May 1, 2016, subject to the fulfillment of the aforementioned condition precedent.
2. **Hereby acknowledge that:**
    - following the effective date of the partial transfer of assets, the value, as at the effective date, of the assets and liabilities transferred shall be finalized and agreed by the Company and Ingenico France, under the supervision of their statutory auditors, on the basis of the valuation methods used to determine the estimated value of the net assets transferred at the effective date;
    - that under the terms of the proposed partial asset transfer agreement:
        - in the event that the amount of the net assets finalized at the effective date of the partial transfer of assets exceeds the amount of net assets estimated as at the effective date, the difference shall be recorded as an acquisition premium in Ingenico France's financial statements,
        - in the event that the amount of net assets finalized at the effective date of the partial transfer of assets is less than the amount of net assets as at the effective date, the Company shall make a pro rata earn-out payment in cash to Ingenico France, such that the partial transfer of assets is not made for less than €83,460,375.
3. **Hereby grant,** as a result of the foregoing, all powers to the Board of Directors, with the option to sub-delegate under the applicable legal and regulatory conditions, to the effect of:
    - recording the fulfillment of the aforementioned condition precedent;
    - recording, as a consequence, the completion of the partial transfer of assets and the consideration therefor;
    - determining the final value of the net assets transferred as at the effective date of the partial transfer of assets and, where applicable:
        - making an earn-out payment, in cash, to Ingenico France, if the final value of the net assets transferred is less than its estimate as at the effective date having served as the basis for calculating the consideration for the partial transfer of assets, or
        - taking all measures and accomplishing all formalities to ensure that, if the final value of the net assets transferred is more than its estimate as at the effective date having served as the basis for calculating the consideration for the partial transfer of assets, this difference shall be recorded as an acquisition premium in Ingenico France's financial statements;
    - restating, as required, the terms of the said transfer, establishing all confirmatory or supplementary documents to the partial asset transfer agreement, reviewing all findings, conclusions, communications and formalities, including the declaration of compliance required by applicable law, which may be necessary for the purposes of the completion of the transfer granted by the Company to Ingenico France.

Thirty-fourth resolution – Approval of a proposed spin-off by the Company of its research and development, product development, planning and procurement business, along with the sales of terminals to distribution subsidiaries, to its subsidiary Ingenico Terminals

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the following documents:

- the opinion of the Works Council dated February 11, 2016;
- the report of the Board of Directors;
- the reports of the independent valuation experts appointed by order of the President of the Paris Commercial Court, dated November 26, 2015;
- the partial asset transfer agreement of February 29, 2016 between the Company and its subsidiary Ingenico Terminals, a simplified joint stock company with share capital of €18,500, which has its head office at 28-32 boulevard de Grenelle, 75015 Paris, listed in the Paris Trade and Companies Register under number 538 600 412 ("**Ingenico Terminals**"); and
- the respective annual financial statements and management reports of the Company and of Ingenico Terminals, made available to the shareholders in accordance with applicable regulations.

1. **Hereby approve:**
   - the partial asset transfer agreement, by which the Company transfers to Ingenico Terminals, under the legal regime for corporate spin-offs, all the assets, rights and obligations, as well as the liabilities comprising the complete and independent research and development, product development, planning and procurement business, along with the sales of terminals to distribution subsidiaries and related services, and the development of mobile payment services around connected objects, subject to the condition precedent of the approval by the sole shareholder of Ingenico Terminals of the said transfer, its valuation, the consideration therefor, and the consequential increase in Ingenico Terminals' share capital;
   - the valuation which is calculated based on the estimated net carrying amounts at the effective date of €293,081,894 for the transferred assets, and of €99,873,282 for the assumed liabilities, or a net value for the transferred assets of €193,208,612;
   - the allocation to the Company, in consideration for the completed partial transfer of assets, of 386,417,224 new Ingenico Terminals shares, with a par value of fifty euro cents (€0.50) each, to be created by Ingenico Terminals by way of a capital increase;
   - the setting of the effective date for the transfer in terms of its legal, accounting and tax consequences as May 1, 2016, subject to the fulfillment of the aforementioned condition precedent.
2. **Hereby acknowledge that:**
   - following the effective date of the partial transfer of assets, the value, as at the effective date, of the assets and liabilities transferred shall be finalized and agreed by the Company and Ingenico Terminals, under the supervision of their statutory auditors, on the basis of the valuation methods used to determine the estimated value of the net assets transferred at the effective date;
   - that under the terms of the proposed partial asset transfer agreement:
     - in the event that the amount of the net assets finalized at the effective date of the partial transfer of assets exceeds the amount of net assets estimated as at the effective date, the difference shall be recorded as an acquisition premium in Ingenico Terminals' financial statements,
     - in the event that the amount of net assets finalized at the effective date of the partial transfer of assets is less than the amount of net assets as at the effective date, the Company shall make a pro rata earn-out payment in cash to Ingenico Terminals, such that the partial transfer of assets is not made for less than €193,208,612.
3. **Hereby grant,** as a result of the foregoing, all powers to the Board of Directors, with the option to sub-delegate under the applicable legal and regulatory conditions, to the effect of:
   - recording the fulfillment of the aforementioned condition precedent;
   - recording, as a consequence, the completion of the partial transfer of assets and the consideration therefor; and
   - determining the final value of the net assets transferred as at the effective date of the partial transfer of assets and, where applicable:
     - making an earn-out payment, in cash, to Ingenico Terminals, if the final value of the net assets transferred is less than its estimate as at the effective date having served as the basis for calculating the consideration for the partial transfer of assets, or
     - taking all measures and accomplishing all formalities to ensure that, if the final value of the net assets transferred is more than its estimate as at the effective date having served as the basis for calculating the consideration for the partial transfer of assets, this difference shall be recorded as an acquisition premium in Ingenico Terminals' financial statements;
   - restating, as required, the terms of the said transfer, establishing all confirmatory or supplementary documents to the partial asset transfer agreement, reviewing all findings, conclusions, communications and formalities, including the declaration of compliance required by applicable law, which may be necessary for the purposes of the completion of the transfer granted by the Company to Ingenico Terminals.

Thirty-fifth resolution – Approval of a proposed spin-off by the Company of its support activities directed toward the operational issues faced by the Group to its subsidiary Ingenico Business Support

The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the following documents:

- the opinion of the Works Council dated February 11, 2016;
- the report of the Board of Directors;

- the reports of the independent valuation experts appointed by order of the President of the Paris Commercial Court, dated November 26, 2015;
- the partial asset transfer agreement of February 29, 2016 between the Company and its subsidiary Ingenico Business Support, a simplified joint stock company with share capital of €10,000, which has its head office at 28-32 boulevard de Grenelle, 75015 Paris, listed in the Paris Trade and Companies Register under number 814 734 091 ("**Ingenico Business Support**"); and
- the respective annual financial statements and management reports of the Company and of Ingenico Business Support, made available to the shareholders in accordance with applicable regulations.

1. **Hereby approve:**
   - the partial asset transfer agreement, by which the Company transfers to Ingenico Business Support, under the legal regime for corporate spin-offs, all the assets, rights and obligations, as well as the liabilities comprising the complete and independent support activities directed toward the operational issues faced by the Group, subject to the condition precedent of the approval by the sole shareholder of Ingenico Business Support of the said transfer, its valuation, the consideration therefor, and the consequential increase in Ingenico Business Support's share capital;
   - the valuation which is calculated based on the estimated net carrying amounts at the effective date of €33,442,428 for the transferred assets, and of €16,560,742 for the assumed liabilities, or a net value for the transferred assets of €16,881,686;
   - the allocation to the Company, in consideration for the completed partial transfer of assets, of 1,688,169 new shares, with a par value of ten euros (€10) each, to be created by Ingenico Business Support by way of a capital increase;
   - the setting of the effective date for the transfer in terms of its legal, accounting and tax consequences as May 1, 2016, subject to the fulfillment of the aforementioned condition precedent.
2. **Hereby acknowledge that:**
   - following the effective date of the partial transfer of assets, the value, as at the effective date, of the assets and liabilities transferred shall be finalized and agreed by the Company and Ingenico Business Support, under the supervision of their statutory auditors, on the basis of the valuation methods used to determine the estimated value of the net assets transferred at the effective date;
   - that under the terms of the proposed partial asset transfer agreement:
     - — in the event that the amount of the net assets finalized at the effective date of the partial transfer of assets exceeds the amount of net assets estimated as at the effective date, the difference shall be recorded as an acquisition premium in Ingenico Business Support's financial statements,
     - — in the event that the amount of net assets finalized at the effective date of the partial transfer of assets is less than the amount of net assets as at the effective date, the Company shall make a pro rata earn-out payment in cash to Ingenico Business Support, such that the partial transfer of assets is not made for less than €16,881,686.
3. **Hereby grant,** as a result of the foregoing, all powers to the Board of Directors, with the option to sub-delegate under the applicable legal and regulatory conditions, to the effect of:
   - recording the fulfillment of the aforementioned condition precedent;
   - recording, as a consequence, the completion of the partial transfer of assets and the consideration therefor; and
   - determining the final value of the net assets transferred as at the effective date of the partial transfer of assets and, where applicable:
     - — making an earn-out payment, in cash, to Ingenico Business Support, if the final value of the net assets transferred is less than its estimate as at the effective date having served as the basis for calculating the consideration for the partial transfer of assets, or
     - — taking all measures and accomplishing all formalities to ensure that, if the final value of the net assets transferred is more than its estimate as at the effective date having served as the basis for calculating the consideration for the partial transfer of assets, this difference shall be recorded as an acquisition premium in Ingenico Business Support's financial statements;
   - restating, as required, the terms of the said transfer, establishing all confirmatory or supplementary documents to the partial asset transfer agreement, reviewing all findings, conclusions, communications and formalities, including the declaration of compliance required by applicable law, which may be necessary for the purposes of the completion of the transfer granted by the Company to Ingenico Business Support.

Thirty-sixth resolution – Powers for filing and publication formalities

The shareholders hereby grant all powers necessary to accomplish the filing and publication formalities required by law to anyone in possession of an original, copy or extract of this report.

7.2 Presentation of the resolutions

Ordinary resolutions

First and Second resolutions – Approval of the parent company and consolidated financial statements for the year ended December 31, 2015 and approval of non-tax-deductible expenses

The Board of Directors requests that you approve the parent company financial statements for the year ended December 31, 2015, which show a net profit of €369,939,066.92, as well as the consolidated financial statements for the year ended December 31, 2015, which show a net profit of €230,315,476.

We also request that you approve the total expenses and charges as defined in Article 39-4 of the French General Tax Code, *i.e.*, €106,585 , as well as the related tax liability, *i.e.*, €40,502.

Third resolution – Allocation of net profit for the year and dividend

The proposed allocation of our Company's net profit for the year is in compliance with the law and our Articles of Association.

We propose that the net profit for the year ended December 31, 2015 be allocated as follows:

2015 net results

- Net profit for 2015 €369,939,066.92
- Retained earnings €209,353,577.57

Allocation

- Legal reserve €350,000.00
- Dividend [(1)] €79,287,780.00

  Composed of:
  - Initial dividend: €3,049,530.00
  - Additional dividend: €76,238,250.00
- Retained earnings €499,654,864.49

Accordingly, the gross dividend per share would be €1.30. Dividends paid to natural persons residing in France are eligible for the 40% tax reduction mentioned in Paragraph 2 Section 3 of Article 158 of the French General Tax Code.

The ex-dividend date is May 6, 2016.Dividends shall be paid on June 3, 2016.

Please note that the total amount of the dividend paid and therefore the amount allocated to retained earnings shall be adjusted for any difference between the number of shares entitled to dividends and the 60,990,600 shares that made up the share capital at December 31, 2015.

Pursuant to Article 243bis of the French Tax Code, the shareholders note that the net dividends paid for the last three fiscal years were as follows:

	Dividends eligible for tax reduction		
Fiscal year	Dividends	Other amounts distributed	Dividends not eligible for tax reduction
2012	€36,741,360.60 [(1)] or €0.70 per share	–	–
2013	€42,469,047.20 [(1)] or €0.80 per share	–	–
2014	€57,436,781.00 [(1)] or €1.00 per share	-	-

(1) Including dividends not paid for treasury stock and allocated to retained earnings and the amount of dividends paid in shares.

Fourth resolution – Option to receive dividends in cash or in shares

We propose, in accordance with Article 23 of the Company's Articles of Association, that you be given the option to receive dividends in cash or in shares for the total net dividend amount to which you are entitled.

The price for shares issued as stock dividends shall be equal to 90% of the average price quoted for the Company's shares during the twenty trading days preceding the date of this meeting, less the net amount of the dividend, in accordance with Article L.232-19 of the French Commercial Code.

(1) The total dividend amount of €79,287,780.00 is based on the number of shares with dividend rights (equal to 60,990,600), including shares owned by the Company. The dividend payable on the shares owned by the Company on the ex-dividend date shall be allocated to "Retained earnings" at the time of payment. The total dividend amount and, as a consequence, the amount of retained earnings, shall be adjusted according to the number of shares held by the Company on the ex-dividend date and, if applicable, the new shares entitled to dividends resulting from new free shares vested until this date.

If the net dividend amount to be distributed in shares does not divide up into a whole number of shares, the shareholder may opt to receive:

- either the whole number of shares just below that amount, along with a cash payment for the difference paid on the date on which the option is exercised;
- or the whole number of shares just above that amount, with the difference paid in cash by the shareholder.

Shareholders opting for a dividend paid in shares must exercise this option between May 6, 2016 and May 26, 2016, inclusive, through the relevant financial intermediaries authorized to pay the dividend. Beyond this time limit, only cash dividends shall be paid.

Dividends for those shareholders who opt for a cash payment are payable on June 3, 2016. Those shareholders who opt for a stock dividend will receive the newly-issued shares on the distribution date for cash dividends, *i.e.*, June 3, 2016.

The shares issued as stock dividends shall be entitled to dividends as of January 1, 2016.

The Board of Directors shall have the necessary powers to implement this resolution.

Fifth resolution – Special report of the statutory auditors on related party agreements

We request that you (i) acknowledge that no new related party agreements were entered into during the year ended December 31, 2015 and (ii) acknowledge the agreements approved in prior years by the Annual General Shareholders Meeting and which remained in effect during the year.

The related party agreements approved in prior years by the Annual General Shareholders Meeting and which remained in effect during the year ended December 31, 2015 were as follows: (i) the agreement with Cryptolog International Inc. to provide its Cryptolog Identity PKI solution in SaaS mode as part of its normal operations, and (ii) the agreement concerning the contractual indemnity due in the event of early termination of the Chairman and Chief Executive Officer. This is a talent retention tool that is part of his compensation package as Chief Executive Officer.

Sixth resolution – Commitment made to Mr. Philippe LAZARE

The Board of Directors requests that, in accordance with Article L.225-42-1 of the French Commercial Code, after reviewing the special report of the statutory auditors on the agreement concluded between the Company and Mr. Philippe Lazare, as amended on February 29, 2016 and described in the same report, you approve this agreement and acknowledge that this decision shall be valid under Article L.225-42-1 paragraph 4 of the French Commercial Code on the condition that the Board of Directors renews the term of office Mr. Philippe LAZARE as Chairman and Chief Executive Officer of Ingenico Group on the day of the Annual General Shareholders' Meeting.

This is an agreement for a contractual indemnity due in the event of early termination of the Chairman and Chief Executive Officer. It is intended as a talent retention tool, which is integrated into his compensation package. This indemnity is subject to conditions related to the beneficiary's performance, evaluated in light of the Company's results. These conditions are specified in the special report of the statutory auditors in accordance with applicable laws.

Seventh to tenth resolutions – Appointment of Statutory Auditors

The appointments of KPMG Audit IS and Mazars as statutory auditors, and of KPMG Audit ID and Mr. Jean-Louis SIMON as alternate auditors will expire after this Shareholders' Meeting.

Therefore, we request that you:

(i) renew the appointment of Mazars as statutory auditor and of Mr. Jean-Louis SIMON as alternate auditor;

(ii) appoint KPMG SA as statutory auditor, replacing KPMG Audit IS, and SALUSTRO REYDEL SA as alternate auditor, replacing KPMG Audit ID;

for a term of six years, until the close of the Ordinary Annual Shareholders Meeting to be held in the year 2022 and called to approve the financial statements for the year ending December 31, 2021. These proposed renewals/appointments allow the Group to maintain its level of external control.

Appointment of Directors (eleventh to seventeenth resolutions)

Eleventh resolution – Ratification of the provisional appointment of Ms. Colette LEWINER

We request that you ratify the provisional appointment of Ms. Colette LEWINER, made by the Board of Directors on October 22, 2015 to replace Ms. Celeste THOMASSON.

Ms. LEWINER will serve out the remaining term of office of her predecessor, that is until the end of the Shareholders' Meeting held in 2018 to approve the financial statements for the previous year.

Information about Ms. LEWINER is presented in section 3.2 of this Registration Document.

Twelfth resolution – Appointment of Mr. Bernard BOURIGEAUD

In the twelfth resolution, the Board of Directors requests that you appoint Mr. Bernard BOURIGEAUD for a term of one year, expiring at the end of the Annual General Shareholders Meeting to be held in 2017, called to approve the financial statements for the year ended December 31, 2016, subject to the adoption of the 31st resolution of this Meeting, or else for a four-year term expiring at the end of the Annual General Shareholders' Meeting to be held in 2020, called to approve the financial statements for the year ended December 31, 2019.

Subject to his appointment as director by the Annual General Shareholders' Meeting of April 29, 2016, Mr. Bernard BOURIGEAUD would also be appointed as a member of the Strategic Committee.

The Board of Directors, acting on the recommendation of the Compensation, Appointments and Governance Committee, finds that Mr. Bernard BOURIGEAUD, should his candidacy be approved by the Annual General Shareholders' Meeting, would qualify as an independent director as defined in its Rules of Procedure in accordance with the recommendations of the AFEP-MEDEF Code.

Bernard Bourigeaud is behind the creation and development of one of the world's largest IT services and payments groups, Axime, which was formed in 1991 following the mergers with SITB, Sodinforg and Segin. He transformed the company through a strong growth policy: creating Atos following the acquisition of Sligos in 1996; merging Atos with Origin in November 2000; acquiring KPMG Consulting in the Netherlands and the United Kingdom in 2002; buying out Schlumberger Sema in 2003; and finally, acquiring Banksys and Bank Card Company (BCC) in 2006.

When Bernard Bourigeaud stepped down as Chairman and CEO of Atos Origin, the company had annual revenues of €5.6 billion and employed over 55,000 people in more than 50 countries.

Prior to launching Axime, he spent 11 years at Deloitte, Haskins & Sells where he headed the company's management consultancy business, and subsequently all French operations. Before that, he held a number of general management positions over a period of eight years at the Continental Grain group, including five years in the United Kingdom. Bernard began his career at CIC and Price Waterhouse. He is a qualified chartered accountant and holds a degree in economics and management.

Bernard Bourigeaud is currently Chairman of BJB Consulting, a consultancy firm founded in January 2008. He is also a private investor in several European technology companies, which he guides in their development.

Since January 2010, he has been an operating partner of Advent International. He advises Advent on investment opportunities in the technology, financial services and corporate services sectors. In December 2011, he was appointed Non-Executive Chairman of Oberthur Technologies SA, a company he invested in jointly with Advent. Oberthur Technologies SA is the second-largest manufacturer of smart cards worldwide.

Bernard Bourigeaud is also a director of several publicly traded companies, including CGI in Canada and Automic in Austria. He is a member of the Advisory Board of Jefferies, a New York investment bank.

In the summer of 2011, he was appointed to the Governing Board of the International Paralympic Committee (IPC).

He is a member of the International Advisory Board of HEC Paris and an affiliate professor.

Bernard Bourigeaud is Chairman of CEPS (Center for Long-Term Strategic Studies), an international and independent think tank. He is an advisor to the National Committee of French Foreign Trade. In 2004, he was made a Chevalier de la Légion d'Honneur.

In addition to his duties for Atos Origin and its subsidiaries, Bernard Bourigeaud has also served as a member of the boards of Business Objects, SNT (a subsidiary of KPMG), Hagemeyer in the Netherlands, Neopost, Tibco Software in California, and CCMX.

For two years, he was a member of the of the French National Economic Commission. In 2008 and 2009, he held the role of senior advisor for Apax in France.

His career as a leader at the highest levels, his recognized expertise, and his experience in the global payments industry will be of significant benefit to Ingenico Group's Board of Directors.

Non-replacement of Mr. Jean-Pierre COJAN as a director (thirteenth resolution)

In the thirteenth resolution, the Board of Directors requests that you acknowledge the non-replacement of Mr. Jean-Pierre COJAN , who resigned from his directorship on May 19, 2015.

Reappointment of Ms. Diaa ELYAACOUBI (fourteenth resolution)

In the fourteenth resolution, the Board of Directors requests that you reappoint Ms. Diaa ELYAACOUBI for a term of three years, expiring at the end of the Annual General Shareholders Meeting to be held in 2019, called to approve the financial statements for the year ended December 31, 2018, subject to the adoption of the 31st resolution of this Meeting, or else for a four-year term expiring at the end of the Annual General Shareholders' Meeting to be held in 2020, called to approve the financial statements for the year ended December 31, 2019. Information about Ms. ELYAACOUBI is presented in section 3.2 of this Registration Document.

Reappointment of Ms. Florence PARLY (fifteenth resolution)

In the fifteenth resolution, the Board of Directors requests that you reappoint Ms. Florence PARLY for a term of three years, expiring at the end of the Annual General Shareholders Meeting to be held in 2019, called to approve the financial statements for the year ended December 31, 2018, subject to the adoption of the 31st resolution of this Meeting, or else for a four-year term expiring at the end of the Annual General Shareholders Meeting to be held in 2020, called to approve the financial statements for the year ended December 31, 2019. Information about Ms. PARLY is presented in section 3.2 of this Registration Document.

Reappointment of Mr. Thibault POUTREL (sixteenth resolution)

In the sixteenth resolution, the Board of Directors requests that you reappoint Mr. Thibault POUTREL for a term of one year, expiring at the end of the Annual General Shareholders Meeting to be held in 2017, called to approve the financial statements for the year ended December 31, 2016, subject to the adoption of the 31st resolution of this Meeting, or else for a four-year term expiring at the end of the Annual General Shareholders Meeting to be held in 2020, called to approve the financial statements for the year ended December 31, 2019. Information about Mr. POUTREL is presented in section 3.2 of this Registration Document.

Reappointment of Mr. Philippe LAZARE (seventeenth resolution)

In the seventeenth resolution, the Board of Directors requests that you reappoint Mr. Philippe LAZARE for a term of three years, expiring at the end of the Annual General Shareholders Meeting to be held in 2019, called to approve the financial statements for the year ended December 31, 2018, subject to the adoption of the 31st resolution of this Meeting, or else for a four-year term expiring at the end of the Annual General Shareholders Meeting to be held in 2020, called to approve the financial statements for the year ended December 31, 2019. Information about Mr. LAZARE is presented in section 3.2 of this Registration Document.

Eighteenth resolution – Advisory vote on the components of compensation due or allocated to Mr. Philippe LAZARE in respect of the year ended December 31, 2015

As recommended in Article 24-3 of the AFEP-MEDEF Corporate Governance Code for listed companies, as revised in November 2015, which the Company uses as a reference, we ask that you take an advisory vote on the components of the compensation due or allocated to Mr. Philippe LAZARE, the Chairman and Chief Executive Officer, in respect of the year ended December 31, 2015, as presented here:

For further information, please refer to section 3.3.1 of this Registration Document.

Components of compensation due or allocated for the fiscal year	Amounts or accounting estimates submitted to a vote	Description
Fixed compensation	€700,000 (amount paid)	The fixed compensation of Mr. Philippe Lazare was unchanged from 2014 to 2015.
Annual variable compensation	€1,279,803 (amount payable)	As recommended by the Compensation, Appointments and Governance Committee and after obtaining the validation of the financial components from the Audit and Financing Committee, the Board of Directors set the amount of variable compensation payable to Mr. Philippe Lazare in respect of 2015 at its meeting of February 18, 2016. Based on the quantitative and qualitative criteria set by the Board on February 18, 2015 and considering the Company's performance at December 31, 2015, the amount of variable compensation was evaluated as follows: • in quantitative terms, the Board noted the substantial outperformance of the three financial criteria used: consolidated revenue growth (target achieved: 105%), consolidated EBITDA (target achieved: 120%), and free cash flow (target achieved: 139%), resulting in year-end figures reaching 144% of the targets; • in qualitative terms, the Board considered that Philippe Lazare's performance was excellent in the 2015 fiscal year, and that he had achieved the maximum percentage (100%) in two of the three criteria, namely: (i) execution of the Group's strategic vision; and (ii) acceleration of the development of multichannel payment transactions. The third criterion – concerning the ePayments division – was considered to have been 70% achieved: the division's establishment and the integration of the GlobalCollect and Ogone teams was deemed a success, but the business plan objectives were not fully met, given the loss of a major customer; • Mr. Philippe Lazare's variable compensation for 2015 has therefore been set at €1,279,803, equal to 183% of his annual fixed compensation for 2015.
Deferred variable compensation	n.a.	No deferred variable compensation has been awarded to Mr. Philippe LAZARE.
Multi-year variable compensation	n.a.	No multi-year variable compensation has been awarded to Mr. Philippe LAZARE.
Exceptional compensation	n.a.	No exceptional compensation has been awarded to Mr. Philippe LAZARE.

Components of compensation due or allocated for the fiscal year	Amounts or accounting estimates submitted to a vote	Description
Stock options, performance shares and any other long-term forms of compensation	Stock options = n.a.	No stock options were granted in 2015.
	10,000 shares = €988,200 (book value) Or 0.01% of the share capital Other components = n.a.	To continue with its policy of allocating performance shares, on July 29, 2015, the Board of Directors established a performance share plan under the eighteenth resolution of the Extraordinary Shareholders' Meeting held on May 6, 2015. Allocations of performance shares are conditional on the achievement of performance criteria evaluated at the end of the two-year vesting period. Allocations are based on a progressive level of achievement of the Group's intrinsic performance (EBITDA) in line with the guidance issued to the market. Vesting thresholds are as follows: 25% of shares vested at 90% achievement of the target; 50% of shares vested at 95% achievement of the objective and 75% of shares vested at 100% achievement of the target. The maximum number of free shares vested, *i.e.*, 100%, is reached at or above 104% of the target.
Directors' attendance fees	n.a.	No attendance fees are paid to Mr. Philippe LAZARE.
Value of all benefits in kind	€12,735	Mr. Philippe LAZARE has been provided with a company car and insurance for loss of his corporate office.

Components of compensation due or allocated for the fiscal year and voted on by the Annual General Shareholders' Meeting under the procedure for related party agreements and commitments	Amounts voted on	Description
Termination benefits	No termination benefits are due in respect of 2015	In compliance with the Board's decision of March 15, 2012, approved by the shareholders at their Annual General Shareholders' Meeting on May 3, 2012 in its eighth resolution, in the event that Mr. Lazare's mandate is terminated (for any reason other than gross negligence), the following arrangement shall apply: ● he shall receive an indemnity equal to one year of gross annual salary payable in his capacity as Chief Executive Officer of Ingenico; ● he shall maintain his entitlement to the free shares for which the vesting period has not expired. This arrangement is subject to the following performance conditions: ● EBIT growth in line with revenue growth during his term in office; ● stability or increase in the Company's market share during his term of office.
Benefits in connection with a non-competition clause	n.a.	No non-competition clause applies.
Supplementary retirement plan	n.a.	Mr. Philippe LAZARE does not have a supplementary retirement plan.

Nineteenth resolution – Amount of attendance fees awarded to the Board members

We request that you increase the total annual amount of attendance fees to be awarded to the Board of Directors from €500,000 to €550,000, to account for the increase in the number of independent directors.

This decision would apply for the current fiscal year and would be maintained until decided otherwise.

Twentieth resolution – Authorization to trade in Company shares (Article L.225-209 of the French Commercial Code) – Suspension of this authorization during a public offer period

The authorization granted by the Annual General Shareholders' Meeting of May 06, 2015, shall soon expire; we therefore request that you authorize the Board of Directors to trade in the Company's shares up to a maximum purchase price of €180 per share and for a maximum aggregate amount of €1,048,097,880.

This authorization is intended to allow the Company to do the following:

- hold and use Company shares as a means of exchange or consideration in external growth transactions, in compliance with current laws and regulations and with standard market practices;
- use Company shares in connection with the exercise of rights attached to Company securities conferring immediate or future entitlement to Company shares through conversion, exercise, redemption or exchange, presentation of a warrant or by any other means, and carry out any transactions required to hedge the Company's obligations in connection with these securities, in accordance with stock market regulations at the time that the Board of Directors or any person to whom the Board has delegated its powers may act;
- implement any Company stock option plan granted in accordance with Articles L.225-177 *et seq.* of the French Commercial Code, any award, in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code, of Company shares for free to employees, directors and executive officers, whether as part of their compensation, as a means to allow them to benefit from the Company's growth, in the context of Company or Group employee shareholding or savings plans and/or any other form of share allocation programs for employees and/or directors and executive officers of the Group, and to carry out any transactions required to hedge the Company's obligations in connection with these programs, in accordance with stock market regulations at the time that the Board of Directors or any person to whom the Board has delegated its powers may act;
- maintain a liquid market for the Company's shares via a liquidity contract with an independent investment service provider that complies with the code of ethics approved by the Autorité des marchés financiers;
- cancel some or all of the Company's shares bought back with the intention of reducing the share capital, in accordance with an authorization granted or to be granted by the Extraordinary Shareholders Meeting;
- and generally pursue any aims permitted by law or engage in any market practices that may be authorized by the market authorities, it being understood that in such cases, the Company would issue a statement to inform its shareholders.

The number of Company shares acquired under this authorization shall not exceed 10% of the total number of shares in the share capital on the date of purchase, after deducting the number of shares resold during the program to maintain the liquidity of the Company's shares, while noting that the share acquisitions made by the Company may under no circumstances permit the Company to hold more than 10% of its total share capital, either directly or indirectly. Consequently, on the basis of the share capital at December 31, 2015 (divided into 60,990,600 shares), and taking into account the 276,294 treasury shares held at that date, the Company would be authorized to purchase up to 5,822,766 shares.

Shares may be acquired by any means that are in accordance with current stock market regulations and the acceptable market practices, including, where applicable, trading in derivatives and options on regulated or over-the-counter markets, provided that use of such means does not significantly increase the volatility of the Company's share price.

Such transactions may not be carried out, however, during a public offer launched on the Company's shares by a third party.

The present authorization is hereby granted for a period of 18 months from the date of this meeting and cancels and replaces the authorization granted to the same effect by the Annual General Shareholders' Meeting of May 6, 2015.

Extraordinary resolutions

Financial authorizations – Suspension during a public offer

The following resolutions submitted to your vote mainly concern the delegations of authority and authorizations granted to the Board of Directors in financial matters, some of which will soon expire.

The delegations of authority and authorizations submitted for your approval shall, as of the date of this meeting, cancel and replace the delegations of authority previously granted for the same purpose.

The delegations of authority and authorizations submitted for your approval will enable the Board of Directors to issue shares and/or securities conferring entitlement to Company shares in France, abroad and/or on international markets, with shareholders' preferential subscription rights maintained or waived, depending on the opportunities offered by the financial markets and the interests of the Company and its shareholders, in order to give the Board of Directors the possibility of financing, in the best way possible, recapitalization transactions related to any external growth transactions or convertible bond issues.

In addition, under the provisions of Article L.233-32 of the French Commercial Code resulting from the French Florange Act (*Loi Florange*) of March 29, 2014, the delegations of authority granted by the meeting before the offer period would no longer be suspended during a public offer period targeting the Company unless the meeting makes express provisions for this suspension.

For this reason, the delegations of authority and authorizations provided for under the twenty-first to twenty-ninth resolutions have provisions for suspension during a public offer launched on the Company's shares by a third party.

Twenty-first resolution – Authorization for the Board of Directors to cancel shares repurchased by the Company

As the previous authorization is expiring, we request that you renew the authorization granted to the Board of Directors in order to:

- cancel, at any time and on one or more occasions, Company shares acquired through repurchase programs carried out under Article L.225-209 of the French Commercial Code, whether in accordance with the ordinary resolution presented to this meeting, or under previous authorizations for repurchase programs, within the limit of up to 10% of the share capital per 24-month period. This limit will apply to an amount of the Company's share capital that shall, as necessary, be adjusted to take into account transactions affecting the share capital after this Annual General Shareholders Meeting;
- reduce the capital by this amount, by charging the difference between the repurchase value of the canceled shares and their par value against available premiums and reserves;
- amend the Articles of Association accordingly and carry out all necessary formalities.

The Board of Directors may not, unless previously authorized by the Annual General Shareholders' Meeting, make use of this delegation of authority at any time during a public offer launched on the Company's shares by a third party.

This delegation of authority would be granted for a period of 24 months and would cancel and replace any previous delegation of authority with the same purpose.

Twenty-second resolution – Delegation of authority granted to the Board of Directors to increase the share capital, with preferential subscription rights maintained

The twenty-second resolution is intended to grant the Board of Directors a delegation of authority to increase the share capital, with preferential subscription rights maintained for shareholders.

The transactions carried out under this resolution would be reserved for the Company's shareholders. They would concern issues of ordinary shares and/or ordinary shares conferring entitlement to other ordinary shares or debt securities and/or securities conferring immediate or future entitlement to ordinary shares to be issued by the Company.

In accordance with Article L.228-93 of the French Commercial Code, the securities to be issued could entitle holders to access ordinary shares to be issued by any company that directly or indirectly holds more than half of the share capital of our Company or any company in which our Company directly or indirectly holds more than half of the share capital.

The capital increases carried out under this delegation of authority may not exceed a maximum aggregate nominal value of €30,000,000, equivalent to 49.1% of the share capital at December 31, 2015. This limit includes the aggregate nominal amount of any capital increases that may be carried out immediately or in the future under the delegations of authority granted by the 23rd, 24th, 25th and 26th resolutions. This limit does not include the aggregate par value of any ordinary shares to be issued in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues in order to safeguard the rights of holders of securities conferring entitlement to shares. Issues of debt securities would be limited to a maximum aggregate nominal amount of €1,500,000,000.

The subscription price for shares and/or securities that may be issued under this delegation of authority would be determined by the Board of Directors, in compliance with applicable laws and regulations.

If subscriptions on a preemptive basis and, as relevant, on a non-preemptive basis have not accounted for the entire issue, the Board of Directors may use the following options:

- limiting the issue to the amount of subscriptions, within any regulatory limits in force, as relevant;
- freely distributing all or part of any unsubscribed securities;
- offering some or all of any unsubscribed securities to the public.

The Board of Directors may not, unless previously authorized by the Annual General Shareholders' Meeting, make use of the delegations of authority at any time during a public offer launched on the Company's shares by a third party.

This delegation of authority would be granted for a period of 26 months and would cancel and replace any previous delegation of authority with the same purpose.

Twenty-third resolution – Delegation of authority granted to the Board of Directors to increase the share capital, with preferential subscription rights waived, by public offering

The twenty-third resolution is intended to grant the Board of Directors a delegation of authority to increase the share capital, with preferential subscription rights waived for shareholders, through a public offering.

The transactions carried out under this resolution would therefore be open to the public. They would concern issues of ordinary shares and/or ordinary shares conferring entitlement to other ordinary shares or debt securities and/or debt securities and/or securities conferring immediate or future entitlement to ordinary shares to be issued by the Company.

In accordance with Article L.228-93 of the French Commercial Code, the securities to be issued could entitle holders to access ordinary shares to be issued by any company that directly or indirectly holds more than half of the share capital of our Company or any company in which our Company directly or indirectly holds more than half of the share capital.

The capital increases carried out under this delegation of authority may not exceed a maximum aggregate par value of €6,099,060, equivalent to 10% of the share capital at December 31, 2015. This limit does not include the aggregate par value of any ordinary shares to be issued in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues in order to safeguard the rights of holders of securities conferring entitlement to shares. Issues of debt securities would be limited to a maximum aggregate nominal amount of €1,500,000,000. These maximum limits would be deducted from the overall maximum limits established in the twenty-seventh resolution.

The issue price for shares issued under this delegation of authority would be at least equal to the minimum regulatory requirement on the date of the issue (*i.e.*, currently the weighted average quoted prices for the Company's shares on Euronext Paris over the last three trading days prior to the setting of this price, less a maximum discount of 5% in accordance with Article L.225-136-1, paragraph 1, and Article R.225-119 of the French Commercial Code).

In addition, the issue price for securities conferring entitlement to shares, issued under this delegation of authority, would be such that the sum immediately received by the Company, plus, if applicable, any sum that the Company may receive subsequently, is at least equal to the minimum issue price indicated above for all shares issued as a result of these securities being issued.

For issues of securities as consideration for securities tendered in connection with a public exchange offer, the Board of Directors, subject to the limits set forth above, would have the necessary powers to determine the list of securities tendered for the exchange, to determine the issue conditions, the exchange ratio and, if applicable, the amount of the cash balance to be paid, and to determine the conditions for the issue.

If subscriptions have not accounted for the entire amount of the issue, the Board of Directors could make use of the following options:

- limiting the amount of the issue to the amount of subscriptions, within any regulatory limits in force, as relevant;
- freely distributing all or part of any unsubscribed securities.

The Board of Directors may not, unless previously authorized by the Annual General Shareholders' Meeting, make use of the delegations of authority at any time during a public offer launched on the Company's shares by a third party.

This delegation of authority would be granted for a period of 26 months and would cancel and replace any previous delegation of authority with the same purpose.

Twenty-fourth resolution – Delegation of authority granted to the Board of Directors to increase the share capital, with preferential subscription rights waived, through an offer as stated in Article L.411-2 II of the French Monetary and Financial Code

Supplementing the previous resolution, and to allow a separate vote by shareholders as recommended by the Autorité des marchés financiers, the twenty-fourth resolution is intended to grant the Board of Directors a delegation of authority to increase the share capital, with preferential subscription rights waived for shareholders, through an offer as stated in Article L.411-2 II of the French Monetary and Financial Code.

The transactions carried out under this resolution would be based on private placements, in accordance with Article L.411-2 II of the French Monetary and Financial Code, with third-party portfolio management investment service providers, qualified investors or a small group of investors, provided that these last two categories are acting on their own behalf. They would involve the issuance of ordinary shares and/or securities giving immediate or future access to ordinary Company shares and/or debt securities.

The capital increases carried out under this delegation of authority may not exceed a maximum aggregate nominal amount of €6,099,060, equivalent to 10% of the share capital. This limit does not include the aggregate par value of any ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of debt securities conferring entitlement to shares.

Issues of debt securities would be limited to a maximum aggregate nominal amount of €1,500,000,000. These maximum limits would be deducted from the overall maximum limits established in the twenty-seventh resolution.

If subscriptions have not accounted for the entire amount of the issue, the Board of Directors could make use of the following options:

- limiting the amount of the issue to the amount of subscriptions, within any regulatory limits in force, as relevant;
- freely distributing all or part of any unsubscribed securities.

As for the resolution above, the issue price for shares issued under this delegation of authority would be at least equal to the minimum regulatory requirement on the date of the issue (*i.e.*, currently the weighted average quoted prices for the Company's shares on Euronext Paris over the three trading days prior to the setting of this price, less a maximum discount of 5% in accordance with Article L.225-136-1, paragraph 1, and Article R.225-119 of the French Commercial Code).

In addition, the issue price of securities conferring access to the Company's shares, issued under this delegation of authority, would be such that the sum immediately received by the Company, plus, if applicable, any sum that the Company may receive subsequently, is at least equal to the minimum issue price indicated above for all shares issued as a result of these securities being issued.

The Board of Directors may not, unless previously authorized by the Annual General Shareholders' Meeting, make use of the delegations of authority at any time during a public offer launched on the Company's shares by a third party.

This delegation of authority would be granted for a period of 26 months and would cancel and replace any previous delegation of authority with the same purpose.

Twenty-fifth resolution – Authorization to increase the issue amount in the event of excess demand

In connection with the aforementioned delegations of authority with preferential subscription rights maintained and waived, we request that you grant the Board of Directors the option to increase, within the maximum limits established by the Annual General Shareholders' Meeting and under the legal and regulatory conditions and limits applicable, the number of securities planned for the initial issue (Articles L.225-135-1 and R.225-118 of the French Commercial Code currently indicate that the number of securities issued could be increased by up to 15% of the initial issue).

Twenty-sixth resolution – Delegation of authority granted to the Board of Directors to increase the share capital as consideration for contributions in kind comprising securities or securities conferring entitlement to shares

To facilitate external growth transactions, we request that you grant the Board of Directors a delegation of authority to increase the share capital by issuing ordinary shares or securities conferring entitlement to shares in return for any contributions in kind made to the Company and comprising capital securities or securities conferring entitlement to shares.

The aggregate par value of ordinary shares that may be issued under this delegation of authority may not exceed 10 percent of the capital on the date of the meeting; this limit does not include the aggregate par value of any ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to shares.

This maximum limit would be deducted from the overall maximum limit for capital increases, as established by the twenty-seventh resolution.

The Board of Directors may not, unless previously authorized by the Annual General Shareholders' Meeting, make use of the delegations of authority at any time during a public offer launched on the Company's shares by a third party.

This delegation would be granted for a period of 26 months and would cancel and replace any previous delegation of authority with the same purpose.

Twenty-seventh resolution – Limit concerning the overall amount of authorizations

This resolution sets an overall limit for the aggregate nominal amount of any capital increases, with preferential subscription rights waived for shareholders, that may be carried out immediately or in the future by the Board of Directors under the 23rd, 24th, 25th and 26th resolutions.

The aggregate nominal amount of capital increases under the aforementioned resolutions would be limited to €6,099,060, representing 10% of the share capital on the day of the Annual General Shareholders' Meeting; this limit shall not include the aggregate par value of any additional shares to be issued, in compliance with applicable laws, in order to safeguard the rights of holders of securities conferring entitlement to shares.

It is also stated that the capital increases that may be carried out under these resolutions shall be included in the aggregate nominal amount of shares that may be issued, as provided for in the 22nd resolution.

The overall maximum amount of debt securities that may be issued under the 23rd, 24th and 25th resolutions may not exceed €1,500,000,000.

Twenty-eighth resolution – Delegation of authority to increase the share capital by issuing shares to members of a Company savings plan

Your approval is requested for an extraordinary resolution submitted to shareholders, who are required to vote, in accordance with Article L.225-129-6 of the French Commercial Code, on a resolution providing for a capital increase in compliance with the conditions stipulated in Articles L.3332-18 *et seq.* of the French Labor Code if any of its decisions result in a capital increase paid in cash.

We therefore propose that you authorize the Board of Directors to increase the share capital in one or more transactions by issuing ordinary Company shares or securities conferring entitlement to Company shares to be issued to employees who are members of one or more Company or Group savings plans established by the Company and/or the French or foreign entities under its control, as defined in Article L.225-180 of the French Commercial Code and in Article L.3344-1 of the French Labor Code.

Pursuant to Article L.3332-21 of the French Labor Code, the Board of Directors shall be authorized to grant new or existing shares, or other securities conferring entitlement to new or existing Company shares, for free to the above-mentioned beneficiaries, either (i) to provide the matching contributions required by the Company or Group savings plan regulations and/or (ii) to offset any discount to the share price.

As required by law, the shareholders shall waive their preferential right to subscribe for those shares.

The aggregate nominal amount of the capital increase or increases carried out under this delegation of authority shall be limited to 2% of the share capital as of the date of the decision by the Board of Directors; this limit is independent of any other maximum limits set in authorizations to increase the share capital. This limit shall not include the aggregate par value of any additional ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to shares.

This delegation of authority shall be granted for a period of twenty-six months.

Please note that pursuant to Article L.3332-19 of the French Labor Code, the subscription price of the shares to be issued may not be more than 20% lower than the average of the opening prices quoted for the Company's shares on the Euronext Paris stock market over the twenty trading days preceding the date of the Board's decision to increase the share capital and carry out the corresponding share issue, or more than 30% lower if the vesting period provided for in the savings plan in accordance with Articles L.3332-25 and L.3332-26 of the French Labor Code is ten years or more, nor may the subscription price exceed that average.

The Board of Directors shall be granted the necessary powers, subject to the limits set forth above, to determine the terms and conditions for any and all issues carried out, to record the resulting capital increase(s), to amend the Articles of Association accordingly, to resolve, at its sole discretion, to charge the issue-related expenses against the related share premium accounts and to deduct from these share premium accounts the amount necessary to increase the legal reserve to one tenth of the share capital amount after each capital increase, and, generally, to do whatever is required in each case.

The Board of Directors may not, unless previously authorized by the Annual General Shareholders' Meeting, make use of the delegations of authority at any time during a public offer launched on the Company's shares by a third party.

Twenty-ninth resolution – Delegation of authority to increase the share capital, with preferential subscription rights waived, for employees, directors and executive officers of subsidiaries with registered offices outside France

We request that you renew the delegation of authority granted last year and thereby delegate to the Board of Directors the authority to issue ordinary Company shares, in one or more transactions, reserved for employees, directors and executive officers of Company subsidiaries with registered offices outside France, who are not members of a Group employee savings plans.

The subscription price for the newly-issued shares shall be determined by the Board of Directors using one of the following methods, at the Board's discretion:

- the subscription price shall be equal to the average of the opening prices quoted for Ingenico's shares on the Euronext Paris stock market over the twenty trading days preceding the date of the Board's decision, less a maximum discount of 20%; or
- the subscription price shall be equal to the opening price quoted for Ingenico's shares on the Euronext Paris stock market on the date of the Board's decision, less a maximum discount of 20%; the method to be applied or the amount of discount to be deducted may vary according to the capital increases or the beneficiaries involved.

This delegation of authority would afford some flexibility to deal with tax or regulatory constraints in certain countries if the Board of Directors decides to make use of this authorization. That is why you are being asked to decide to waive preferential subscription rights for the benefit of employees, directors and executive officers of Group subsidiaries with registered offices outside France.

The value of the share capital increase carried out under this authorization shall not exceed 2% of the share capital as calculated on the date the authorization is exercised, and this maximum limit is independent of any other maximum limits set for capital increases. This limit shall not include the aggregate par value of any additional ordinary shares to be issued, in compliance with applicable laws and with any contractual obligations regarding other adjustments to issues, in order to safeguard the rights of holders of securities conferring entitlement to shares.

This authorization shall be granted for a period of 18 months.

The Board of Directors may not, unless previously authorized by the Annual General Shareholders' Meeting, make use of the delegations of authority at any time during a public offer launched on the Company's shares by a third party.

Thirtieth resolution – Free share awards for employees, directors and executive officers

We request that you deliberate on a new authorization to award free shares that would allow the Board, if the text is approved, to award free shares benefiting from the new system introduced by the French stimulus act No. 2015-990 of August 6, 2015 *(Loi pour la croissance, l'activité et l'égalité des chances économiques)*.

You are therefore being asked to authorize the Board for a period of 38 months to make free awards of shares to employees, directors and executive officers of the Group.

The total number of free shares that may be awarded in this way may not exceed 5% of the share capital on the date of the meeting, while the total number of shares that may be freely awarded to the Company's directors and executive officers may not exceed 2% of the capital within this initial total.

In this respect, please note that the free share plans which are currently vesting represent 0.65% of the Company's capital, including 0.02% for the Company's Chief Executive Officer.

The shares shall be vested at the end of a vesting period of at least three years set by the Board of Directors. Beneficiaries must, where applicable, hold these shares for a period determined by the Board of Directors.

Moreover, the shares awarded to the Company's eligible directors and executive officers shall be subject to a minimum of two performance criteria set by the Board of Directors and used as a basis for determining the number of shares ultimately acquired by them. These criteria would be linked to at least one of the Group's internal performance indicators (Group EBITDA) and a second related to changes in the share price.

Within this framework, we ask that you grant the Board of Directors the authority to award free performance shares, to determine performance and other conditions, to determine the list of beneficiaries and, more generally, to do whatever is required in this regard.

Under this authorization, shareholders would waive their preferential subscription rights for new shares issued by incorporating reserves, share premiums and net profits and it would cancel and replace the current authorization.

Thirty-first resolution – Amendment of Article 12 of the Articles of Association – Reducing the director's term of office to three years

We request that you reduce the term of office for Board directors to three years, while giving the Annual General Shareholders' Meeting an opportunity to appoint or reappoint one or more directors for one to two years, in order to stagger the directors' appointments. The objective is to comply with the guidelines of the AFEP-MEDEF Code and implement best practices in corporate governance.

Directors in office will serve out their current terms.

Accordingly, when you renew the Board of Directors at this meeting, some appointments or reappointments will exceptionally be made for a term of one year, to ultimately facilitate the staggered renewal of the Board.

Thirty-second resolution – Amendment of Article 17 of the Articles of Association – Reducing the independent advisor's term of office to three years

We also request that you reduce the term of office of independent advisors from four years to three, by amending Article 17 of the Articles of Association, in order to align it with that of the directors Advisors currently in office shall serve out their original terms.

Thirty-third to Thirty-fifth resolutions – approval of the spin-offs of Ingenico France, Ingenico Terminals and Ingenico Business Support

Herein below, we present the Board of Directors' report prepared in accordance with the provisions of Article L.236-9 of the French Commercial Code.

Resolutions 33 to 35 presented to your Annual General Shareholders' Meeting concern the Company's reorganization plan, which seeks to spin off its French operational activities through three partial transfers of assets, subject to the legal regime for spin-offs, to the following companies: Ingenico France SAS ("**Ingenico France**"), Ingenico Terminals SAS ("**Ingenico Terminals**") and Ingenico Business Support SAS ("**Ingenico Business Support**").

The purpose of this spin-off is to align the legal organization of Ingenico with its operational and strategic organization, and to streamline the financial and accounting management of its activities.

Assets transferred

As part of this plan, the Company would transfer three independent business lines which it holds, through partial transfers of assets to existing wholly owned subsidiaries: Ingenico France, Ingenico Terminals and Ingenico Business Support.

The partial transfers of assets would cover the following business lines:

- transfer to the subsidiary Ingenico France of all assets comprising Ingenico's complete and independent business line of distribution activities in France and export activities from France, including the ownership and management of the Axis platform (the "**Ingenico France Transfer**");
- transfer to the subsidiary Ingenico Terminals of all assets comprising the complete and independent business line of research and development, product development, planning and procurement activities, along with the sales of terminals to distribution subsidiaries and related services, and the development of mobile payment services around connected objects (the "**Ingenico Terminals Transfer**");
- transfer to the subsidiary Ingenico Business Support of all assets comprising the complete and independent business line of support activities directed toward the operational issues faced by the Group (the "**Ingenico Business Support Transfer**").

Procedure

For each partial transfer of assets, Ms. Agnès Piniot and Mr. Jacques Potdevin were appointed by the President of the Paris Commercial Court as independent valuation experts by an order dated November 26, 2015.

For each partial transfer of assets, they have submitted a report to your Annual General Shareholders' Meeting on the value of the transferred assets and a report on the transaction procedures. These reports have been filed with the clerk of the Paris Commercial Court and made available to you within the statutory deadlines, as have the other documents required under the applicable regulations.

In addition, the principles governing these developments have been explained to the Works Council and to all employees concerned by them. The Company's Works Council issued its opinion on the spin-off plan on February 11, 2016. This document is at your disposal within the legal deadline.

Pursuant to the provisions of Article L.236-18 of the French Commercial Code, the aforementioned partial transfers of assets will be submitted to the meetings of the Company's bondholders.

1. Presentation of features common to all partial transfers of assets

The common features of the three proposed partial transfers of assets are as follows:

(a) each transfer will be subject to the legal regime for spin-offs provided for in Articles L.236-16 to L.236-21 of the French Commercial Code resulting in a universal transfer of the assets of the transferred business line;

(b) each transfer will cover all of the assets and liabilities related to the transferred business line;

(c) subject to the fulfillment of the conditions precedent consisting of the approval, by the Extraordinary Shareholders' Meeting of the Company and by the sole shareholder of the recipient companies, of the partial transfers of assets and their valuation, the consideration therefor and the corresponding increases of the share capital of the recipient companies, the effective date for the transfers in terms of their legal, accounting and tax consequences would be May 1, 2016;

(d) for each transfer, the recipient company shall not be held jointly and severally liable with the Company for liabilities not included in the transferred business line, nor shall the Company be held jointly and severally liable with the recipient company for the liabilities included in the transferred business line (where appropriate, all joint and several liability is excluded between the recipient companies themselves in respect of the partial transfers of assets);

(e) the financial statements used to establish the terms and conditions of each of the transfers shall be the parent company financial statements for the year ended December 31, 2015 for the Company and for each of the recipient companies, as approved by the Board of Directors of the Company and the chairmen of the recipient companies, certified without reservation by their respective statutory auditors;

(f) to determine the consideration for each transfer, methods were used to assess the value of the transferred business line and the value of the shares of the recipient company; these methods are described in each subsection presenting the transfers submitted for approval;

(g) following the effective date of each transfer, the value, as at the effective date of the assets and liabilities transferred on the effective date shall be finalized and agreed by the parties, under the supervision of their statutory auditors, on the basis of the valuation methods used to determine the estimated value of the net assets at the effective date. Under the draft agreements:

  - in the event that the amount of the net assets finalized at the effective date of each transfer exceeds the amount of net assets estimated as at the effective date, the difference shall be recorded as an acquisition premium in the recipient company's financial statements;

- in the event that the amount of net assets finalized at the effective date of the each transfer is less than the amount of net assets as at the effective date, the Company shall make a pro rata earn-out payment in cash to the recipient company, such that the partial transfer of assets is not made for less than the estimated value at the effective date of the transferred net assets.

(h) each of the transfers shall be subject to approval by the Extraordinary Shareholders' Meeting of the Company and by the sole shareholder of the recipient company and the corresponding increase of the recipient company's share capital for the benefit of transferring company, in consideration for the transferred assets.

Each transfer is the subject of a partial asset transfer agreement, which was approved by the Board of Directors of the Company and the chairmen of the recipient companies in question, before being signed on February 29, 2016. Each agreement was filed with the clerk of the Paris Commercial Court on March 1, 2016.

2. Presentation of features specific to each partial transfer of assets

2.1. THIRTY-THIRD RESOLUTION – INGENICO FRANCE TRANSFER

The business line that is the object of the Ingenico France Transfer includes all of the assets, rights and obligations as well as the liabilities comprising Ingenico's complete and independent distribution activities in France and its export activities from France (including the research and development of payment software/applications for terminals on the French market and for export to Africa, some support functions intended for the Europe & Africa region), including the ownership and management of the Axis platform (the "**Ingenico France Business Line**").

The draft partial asset transfer agreement shows, at the effective date of May 1, 2016, subject to the fulfillment of the conditions precedent, an estimated value of €143,728,765 for the Ingenico France Business Line's assets, and of €60,268,390 for the assumed liabilities, or an estimated net value for the transferred assets at the effective date of €83,460,375, which corresponds to the transfer value.

This draft agreement provides that the transfer of the Ingenico France Business Line, whose estimated value at the effective date thus amounts to €83,460,375, shall be in consideration for the issuance by Ingenico France of 166,920,750 new shares with a par value of fifty euro cents (€0.50) each, fully paid up, and reserved entirely for the Company.

In line with the provisions of ANC regulation 2014-03 of June 5, 2014, the transfer of the Ingenico France Business Line would be completed based on the net book value of the transferred assets and liabilities as shown in Ingenico Group's parent company financial statements for the year ended December 31, 2015, as estimated at the effective date.

To determine the consideration for the transfer of the Ingenico France Business Line, the exchange ratio was set by mutual agreement between the Parties based on the net book value of Ingenico France.

The shareholders are asked to approve the Ingenico France Transfer, its consideration and valuation, and to delegate all powers to the Board of Directors, with the option to sub-delegate, to oversee the completion of the Ingenico France Transfer, to determine the final value of the net assets transferred in respect of the Ingenico France Business Line, where applicable to make an earn-out payment in cash to Ingenico France if the final value of the net assets transferred is less than its estimate at the effective date serving as the basis for calculating the consideration for the Ingenico France Transfer, to restate the terms of the Ingenico France Transfer, to establish all confirmatory or supplementary documents to the partial asset transfer agreement, to review all findings, conclusions, communications and formalities, including the declaration of compliance required by applicable law, which may be necessary for the purposes of the completion of the transfer granted by the Company to Ingenico France.

2.2. THIRTY-FOURTH RESOLUTION – INGENICO TERMINALS TRANSFER

The business line that is the object of the Ingenico Terminals Transfer includes all of the assets, rights and obligations as well as the liabilities comprising the complete and independent research and development, product development, planning and procurement activities, along with the sales of terminals to distribution subsidiaries and related services, and the development of mobile payment services around connected objects (the "**Ingenico Smart Terminals Business Line**").

The draft partial asset transfer agreement shows, at the effective date of May 1, 2016, subject to the fulfillment of the conditions precedent, an estimated value of €293,081,894 for the Ingenico Terminals Business Line's assets, and of €99,873,282 for the assumed liabilities, or an estimated net value for the transferred assets at the effective date of €193,208,612, which corresponds to the transfer value.

This draft agreement provides that the transfer of the Ingenico Terminals Business Line, whose estimated value at the effective date thus amounts to €193,208,612, shall be in consideration for the issuance by Ingenico France of 386,417,224 new shares with a par value of fifty euro cents (€0.50) each, fully paid up.

In line with the provisions of ANC regulation 2014-03 of June 5, 2014, the transfer of the Ingenico Terminals Business Line would be completed based on the net book value of the transferred assets and liabilities as shown in Ingenico Group's parent company financial statements for the year ended December 31, 2015, as estimated at the effective date.

To determine the consideration for the transfer of the Ingenico Terminals Business Line, the exchange ratio was set by mutual agreement between the Parties based on the net book value of Ingenico France.

The shareholders are asked to approve the Ingenico Terminals Transfer, its consideration and valuation, and to delegate all powers to the Board of Directors, with the option to sub-delegate, to oversee the completion of the Ingenico France Transfer, to determine the final value of the net assets transferred in respect of the Ingenico France Business Line, where applicable to make an earn-out payment in cash to Ingenico France if the final value of the net assets transferred is less than its estimate at the effective date serving as the basis for calculating the consideration for the Ingenico France Transfer, to restate the terms of the Ingenico France Transfer, to establish all confirmatory or supplementary documents to the partial asset transfer agreement, to review all findings, conclusions, communications and formalities, including the declaration of compliance required by applicable law, which may be necessary for the purposes of the completion of the transfer granted by the Company to Ingenico France.

2.3. THIRTY-FIFTH RESOLUTION – INGENICO BUSINESS SUPPORT TRANSFER

The business line that is the object of the Ingenico Business Support Transfer includes all of the assets, rights and obligations as well as the liabilities comprising the complete and independent support activities directed toward the operational activities faced by the Group, specifically the provision of services: IT operating major systems, operational security of products and services, human resources management, accounting in France and operational management control (the "**Ingenico Business Support Business Line**").

The draft partial asset transfer agreement shows, at the effective date of May 1, 2016, subject to the fulfillment of the conditions precedent, an estimated value of €33,442,428 for the Ingenico Business Support Business Line's assets, and of €16,560,742 for the assumed liabilities, or an estimated net value for the transferred assets at the effective date of €16,881,686, which corresponds to the transfer value.

This draft agreement provides that the transfer of the Ingenico Business Support Business Line, whose estimated value at the effective date thus amounts to €16,881,686, shall be in consideration for the issuance by Ingenico France of 1,688,169 new shares with a par value of ten euros (€10) each, fully paid up.

In line with the provisions of ANC regulation 2014-03 of June 5, 2014, the transfer of the Ingenico Business Support Business Line would be completed based on the actual value of the transferred assets and liabilities as shown in Ingenico Group's parent company financial statements for the year ended December 31, 2015, as estimated at the effective date.

To determine the consideration for the transfer of the Ingenico Business Support Business Line, the exchange ratio was set by mutual agreement between the Parties based on the actual value of Ingenico Business Support.

The shareholders are asked to approve the Ingenico Business Support Transfer, its consideration and valuation, and to delegate all powers to the Board of Directors, with the option to sub-delegate, to oversee the completion of the Ingenico Business Support Transfer, to determine the final value of the net assets transferred in respect of the Ingenico Business Support Business Line, where applicable to make an earn-out payment in cash to Ingenico Business Support if the final value of the net assets transferred is less than its estimate at the effective date serving as the basis for calculating the consideration for the Ingenico Business Support Transfer, to restate the terms of the Ingenico Business Support Transfer, to establish all confirmatory or supplementary documents to the partial asset transfer agreement, to review all findings, conclusions, communications and formalities, including the declaration of compliance required by applicable law, which may be necessary for the purposes of the completion of the transfer granted by the Company to Ingenico Business Support.

Thirty-sixth resolution

Powers for formalities Finally, the 36th resolution concerns the powers to be granted in order to complete the formalities ensuing from the Annual Shareholders' Meeting, and in particular powers for filing and publication formalities.

7.3 Statutory auditors' reports on the capital transactions provided for under resolutions 21 to 30 from the Combined Ordinary and Extraordinary Shareholders' Meeting on April 29, 2016

Combined Ordinary and Extraordinary Shareholders' Meeting on April 29, 2016

Dear Shareholders,

In our capacity as your Company's statutory auditors, and pursuant to the duties set forth in the French Commercial Code, we hereby present to you our report on the transactions affecting the Company's share capital that will be submitted for your approval.

1. Report on the capital reduction (Resolution 21)

Pursuant to Article L.225-209 of the French Commercial Code, which deals with the reduction of share capital by canceling treasury shares, we have prepared this report to present our opinion on the justification and terms of the proposed share capital reduction.

The shareholders are requested to grant their Board of Directors all necessary powers, for a period of twenty-four months from the date of this shareholders' meeting, to cancel the shares the Company has repurchased under its authorization to purchase its own shares pursuant to the aforementioned Article, up to a ceiling of 10% of its share capital per 24-month period.

We performed the procedures we deemed necessary for the completion of this engagement, in accordance with the professional guidance provided by the Compagnie Nationale des Commissaires aux Comptes, France's national organization of statutory auditors. Our work consisted in verifying that the justification and terms of the proposed share capital reduction, which ensures the equal treatment of shareholders, complies with the applicable laws, regulations and rules.

We have no observations regarding the justification and terms of the proposed share capital reduction.

2. Statutory auditors' report on issues of shares and other securities with preferential subscription rights maintained and/or waived (Resolutions 22 to 27)

Pursuant to Articles L.228-92 and L.225-135 *et seq.* of the French Commercial Code, we present our report on the proposed delegations of authority for the Board of Directors to carry out various transactions to issue shares and/or securities that will be submitted for your approval.

On the basis of its report, your Board of Directors proposes that you:

- authorize it, for a period of 26 months, to decide on the following transactions and set the definitive terms for such issues, and proposes, if applicable, to waive your preferential subscription rights:
  - issues of ordinary shares and/or ordinary shares conferring entitlement to other ordinary shares or debt securities and/or securities conferring entitlement to ordinary shares, with preferential subscription rights maintained (22nd resolution), while noting that, in accordance with Article L.228-93 of the French Commercial Code, the securities to be issued could entitle holders to access ordinary shares to be issued by any company that directly or indirectly holds more than half of the share capital of the Company or any company in which the Company directly or indirectly holds more than half of the share capital;
  - issues of ordinary shares and/or ordinary shares conferring entitlement to other ordinary shares or debt securities and/or securities conferring entitlement to ordinary shares to be issued by the Company, with preferential subscription rights waived, by public offering (23rd resolution), while noting that;
    - such securities may be issued as consideration for securities transferred to the Company in connection with a public exchange offer on securities in accordance with Article L.225-148 of the French Commercial Code,
    - in accordance with Article L.228-93 of the French Commercial Code, the securities to be issued could entitle holders to access ordinary shares to be issued by any company that directly or indirectly holds more than half of the share capital of the Company or any company in which the Company directly or indirectly holds more than half of the share capital,
  - issues of ordinary shares and/or ordinary shares conferring entitlement to other ordinary shares or debt securities and/or securities conferring entitlement to ordinary shares to be issued by the Company, with preferential subscription rights waived, through offers covered by Article L.411-2 II of the French Monetary and Financial Code and for up to 20% of the share capital per year (24th resolution), while noting that, in accordance with Article L.228-93 of the French Commercial Code, the securities to be issued could entitle holders to access capital securities to be issued by any company that directly or indirectly holds more than half of the share capital of the Company or any company in which the Company directly or indirectly holds more than half of the share capital;

- authorize it, for a period of 26 months, to issue ordinary shares and/or securities conferring entitlement to access ordinary shares as consideration for contributions in kind granted to the Company and comprising capital securities or securities conferring entitlement to the share capital (26th resolution), subject to the limit of 10% of the share capital.

The aggregate par value of shares that may be issued under the 22nd resolution may not exceed €30,000,000. In addition, the aggregate par value of capital increases that may be carried out immediately or in the future may not exceed, under the 27th resolution, 10% of the share capital on the day of this meeting in accordance with the 23rd, 24th and 26th resolutions, while noting that the maximum aggregate par value of capital increases that may be carried out under each of the 23rd and 24th resolutions may not exceed €6,099,060.

The total nominal amount of debt securities that may be issued under the 22nd resolution may not exceed €1,500,000,000. In addition, the aggregate nominal amount of debt securities that may be issued may not, under the 27th resolution, exceed €1,500,000,000 for the 23rd, 24th and 25th resolutions.

These maximum limits take into account the additional number of securities to be created under the delegations of authority from the 22nd, 23rd and 24th resolutions, under the conditions defined by Article L.225-135-1 of the French Commercial Code, if you adopt the 25th resolution.

The Board of Directors is responsible for preparing a report in accordance with Articles R.225-113 and following of the French Commercial Code. It is our responsibility to give our opinion on the fair presentation of accounting figures taken from the financial statements, on the proposal to waive preferential subscription rights and on a variety of other information concerning the transactions provided in this report.

We performed the procedures we deemed necessary for the completion of this engagement, in accordance with the professional guidance provided by the Compagnie Nationale des Commissaires aux Comptes, France's national organization of statutory auditors. Our work involved verifying the information in the report of the Board of Directors concerning these transactions and the methods used to determine the issue price for the capital securities to be issued.

Without prejudice to an examination of the terms of the proposed issues, we have no observations concerning the methods used to determine the issue price for the capital securities to be issued, as indicated in the report of the Board of Directors in relation to the 23rd and 24th resolutions.

Furthermore, since this report does not specify the methods used to determine the issue price for capital securities to be issued under the 22nd and 26th resolutions, we are unable to give an opinion on the choice of methods for calculating this issue price.

Since the final conditions for the issues that may be carried out have not been set, we cannot give an opinion on them, nor, therefore, can we give an opinion on the proposal for the shareholders to waive their preferential subscription rights as set out in the 23rd and 24th resolutions.

Pursuant to Article R.225-116 of the French Commercial Code, we will prepare an additional report, if necessary, when your Board of Directors makes use of this authorization for issues of capital securities conferring entitlement to other capital securities or debt securities, for issues of securities conferring entitlement to capital securities to be issued, and for issues of shares with preferential subscription rights waived.

3. Report on issues of ordinary shares and/or securities conferring entitlement to the share capital reserved for employees belonging to a company or group savings plan, with preferential subscription rights waived (Resolution 28)

Pursuant to Articles L.228-92 and L.225-135 *et seq.* of the French Commercial Code, we present our report on the proposal to authorize your Board of Directors to decide to issue, with preferential subscription rights waived, ordinary shares and/or securities conferring entitlement to capital securities to be issued, reserved for employees belonging to a Company or Group savings plan set up by the Company and/or related companies in accordance with Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code, for up to a maximum of 2% of the Company's share capital on the day of the Board of Directors' decision.

This issue is subject to your approval pursuant to Article L.225-129-6 of the French Commercial Code and Article L.3332-18 *et seq.* of the French Labor Code.

On the basis of its report, your Board of Directors proposes that you authorize it for a period of 26 months from the date of this Meeting, to carry out issues, and that you waive your preferential subscription rights on the securities to be issued. If this authorization is granted, the Board of Directors will determine the definitive terms of issue for this transaction.

It is the responsibility of your Board of Directors to prepare a report in accordance with Articles R.225-113 *et seq.* of the French Commercial Code. It is our responsibility to give our opinion on the fair presentation of accounting figures taken from the financial statements, on the proposal to waive preferential subscription rights and on a variety of other information concerning the issue of securities provided in this report.

We performed the procedures we deemed necessary for the completion of this engagement, in accordance with the professional guidance provided by the Compagnie Nationale des Commissaires aux Comptes, France's national organization of statutory auditors.

Our work involved verifying the information in the report of the Board of Directors concerning this transaction and the methods used to determine the issue price for the capital securities to be issued.

Without prejudice to an examination of the terms of the issues that may be decided on, we have no observations concerning the methods used to determine the issue price for the capital securities to be issued, as indicated in the report of the Board of Directors.

Since the final terms of the issue that may be carried out have not been set, we cannot give an opinion on them, nor, therefore, can we give an opinion on the proposal that the shareholders waive their preferential subscription rights.

Pursuant to Article R.225-116 of the French Commercial Code, we will prepare an additional report, if necessary, when your Board of Directors makes use of this authorization.

4. Report on the capital increase with preferential subscription rights waived reserved for a specific category of beneficiaries (Resolution 29)

Pursuant to Articles L.225-135 *et seq.* of the French Commercial Code, we present our report on the proposal to authorize your Board of Directors to increase the Company's share capital by issuing ordinary Company shares to the employees, directors and executive officers of Company subsidiaries, as defined by Article L.233-16 of the French Commercial Code, that have their registered offices outside France, with preferential subscription rights waived, up to a maximum of 2% of the Company's share capital on the day of the Board of Directors' decision.

On the basis of its report, your Board of Directors proposes that you authorize it for a period of eighteen months from the date of this Meeting, to increase the share capital, and that you waive your preferential subscription rights on the ordinary shares to be issued. If this authorization is granted, the Board of Directors will determine the definitive terms of issue for this transaction.

It is the responsibility of your Board of Directors to prepare a report in accordance with Articles R.225-113 and R.225-114 of the French Commercial Code. It is our responsibility to give our opinion on the fair presentation of accounting figures taken from the financial statements, on the proposal to waive preferential subscription rights and on a variety of other information concerning the issue of securities provided in this report.

We performed the procedures we deemed necessary for the completion of this engagement, in accordance with the professional guidance provided by the *Compagnie Nationale des Commissaires aux Comptes*, France's national organization of statutory auditors.

Our work involved verifying the information in the report of the Board of Directors concerning this transaction and the method used to determine the issue price for the ordinary shares.

Without prejudice to an examination of the terms of the capital increase that may be decided on, we have no observations concerning the methods used to determine the issue price for ordinary shares to be issued, as indicated in the report of the Board of Directors.

Since the final terms of the capital increase have not been set, we cannot give an opinion on them, nor, therefore, on the proposal that the shareholders waive their preferential subscription rights.

Pursuant to Article R.225-116 of the French Commercial Code, we will prepare an additional report, if necessary, when your Board of Directors makes use of this authorization.

5. Report on the authorization to award new or existing free shares (Resolution 30)

Pursuant to Article L.225-197-1 of the French Commercial Code, we present our report on the proposed authorization to award new or existing free shares to employees and/or executive officers of your Company and related companies.

On the basis of its report, your Board of Directors proposes that you authorize it, for a period of thirty-eight months, to award new or existing free shares.

The total number of shares freely awarded in this way may not exceed 5% of the share capital on the date of this meeting, while noting that the total number of shares that may be awarded to the Company's executive directors may not exceed 2% of the capital within this initial total.

It is the responsibility of the Board of Directors to prepare a report on this proposed transaction. It is our responsibility to inform you, as relevant, of our observations regarding the information provided to you concerning this transaction.

We performed the procedures we deemed necessary for the completion of this engagement, in accordance with the professional guidance provided by the Compagnie Nationale des Commissaires aux Comptes, France's national organization of statutory auditors.

Our work included verifying that the conditions being considered and presented in the report of the Board of Directors are compliant with the law.

We do not have any observations to make regarding the information given in the report of the Board of Directors in terms of the plan to authorize free share awards.

The statutory auditors

Paris - La Défense, March 15, 2016

KPMG Audit IS	Mazars	Mazars
Frédéric Quélin	Thierry Blanchetier	Ariane Mignon
Partner	*Partner*	*Partner*

8 INFORMATION ON THE COMPANY AND ITS SHARE CAPITAL

8.1 Information on the Company

8.1.1 Company name

Company name: Ingenico Group.

8.1.2 Head office

Head office: 28-32 Boulevard de Grenelle, 75015 Paris, France.

Phone number: +33 (0)1 58 01 80 00

8.1.3 Legal information

Type of entity and governing legislation: the Company is a French corporation *(société anonyme)* managed by a Board of Directors and governed by the laws and regulations applicable to commercial companies as set forth in Book II of the French Commercial Code.

Date of incorporation and duration: June 10, 1980 for a period of 99 years starting from the date of registration with the Trade and Companies Register, except in the event of early dissolution or extension, as provided for in the Articles of Association.

Financial year: January 1 to December 31.

Company registration number with the Paris Trade and Companies Register: 317 218 758.

Principal activity code (APE): 6202A.

Principal place of business code (SIRET): 317 218 758 00124.

8.1.4 Articles of Association

The Articles of Association contain no conditions that are more restrictive than those set by law with respect to altering the rights of shareholders.

Purpose (Article 2)

The Company's purpose is to carry out any business in France and in any other countries as follows:

- researching, designing, developing and producing any equipment, systems or devices based on new technologies;
- designing and/or selling any equipment and software relating to the electronic payment and transfer of funds, urban parking management systems, and public and private telephone systems;
- developing and/or selling, including on a rental basis, any systems for transmitting and receiving radio signals of any frequency and kind;
- operating, through any means and in any form, land, sea or space telecommunication networks from stationary or mobile stations, on its own behalf or on any third party's behalf;
- designing software for its own needs or for third parties' needs;
- providing consultancy and organizational services;
- providing technical support and maintenance for any and all devices and facilities produced or sold in connection with any of the Company's purposes;
- representing any companies, both French and non-French, whose products are related, directly or indirectly, to the above-mentioned purposes, including import or export operations.

To fulfil these purposes, the Company may set up, acquire, exchange, sell, or lease, with or without an agreement to sell, and manage and operate, directly or indirectly, any industrial or commercial businesses, plants, work sites, personal or real property; obtain or acquire and use, sell or contribute any patents, licenses, processes or trademarks; grant any licenses to manufacture or use; and generally carry out any commercial, industrial or financial transactions relating to personal and real property, that might be directly or indirectly related to, or serve, the Company's purposes. The Company may act directly or indirectly, on its own behalf or on behalf of any third party, either alone or in partnership, joint venture or association with any other corporate bodies or individuals and carry out in France or abroad, in any form whatsoever, any transactions falling within the scope of its purposes. It may acquire interests or stakes in any French or non-French organizations that have similar purposes or are likely to develop their own businesses.

Determination, allocation and distribution of net profits (Article 22)

For the purpose of forming the statutory legal reserve fund, an amount of 5% shall be allocated from the net annual profit, less any retained losses, until the amount in the legal reserve reaches an amount equal to one-tenth of the share capital. Such allocation from the net profit shall be repeated whenever the legal reserve amount falls below that fraction for any reason whatsoever, and particularly in the event of an increase in the Company's share capital.

The remaining balance of the net profit, plus any amount of retained earnings, shall constitute the distributable profits.

The following shall be deducted from those net profits:

- any amounts that the Shareholders' Meeting decides to use for depreciation of the Company's assets or to allocate to reserve funds or as retained earnings;
- the amount required to pay an initial dividend based on issued and paid-up shares of 5% of the share capital amount; should net profits be insufficient to pay out this dividend, the shareholders shall not be entitled to claim such dividend in subsequent years;
- the remaining balance, if any, to be distributed among all shareholders as a complementary dividend.

The Shareholders' Meeting may also decide to distribute amounts allocated from non-statutory reserve funds, either to provide or supplement a dividend or as an extraordinary distribution, in which case the meeting shall specify from which reserve funds the amounts are to be allocated.

Dividend payment (Article 23)

Dividends on shares shall be paid within a maximum of nine months from the financial year-end, unless such period has been extended by court order.

The time and place of dividend payments will be determined by the Board of Directors.

The Annual General Shareholders' Meeting deliberating on the annual financial statements may grant each shareholder an option to receive all or part of a dividend or interim dividend in cash or in shares, as provided for by law and by these Articles of Association.

Rules for convening and attendance at Annual General Shareholders' Meetings (Article 19)

Pursuant to Article 19 of the Articles of Association, ordinary, extraordinary and special General Shareholders' Meetings shall be convened by the Board of Directors. They may also be convened by the statutory auditor, by a representative appointed by a court of law at the request of any interested party, in the event of an emergency or at the request of one or more shareholders holding at least 5% of the Company's share capital or by a group of shareholders fulfilling the requirements set out in Article L.225-120 of the French Commercial Code. Meetings may also be convened by the liquidator in the event of the early dissolution of the Company.

The Annual General Shareholders' Meetings shall be held at the location specified in the notice. This may be the Company's head office or, if necessary, any other location within 50 km of the registered office.

Notice of Annual General Shareholders' Meetings shall be given in accordance with the applicable rules and regulations.

Should an Annual General Shareholders' Meeting be unable to deliberate due to lack of the required quorum, a second meeting shall be convened with at least ten clear days' prior notice, in the same manner as for the first call, reiterating the date and agenda of the initial meeting.

The initiator of the meeting notice shall prepare the agenda and the resolutions to be submitted to the Annual General Shareholders' Meeting. The Board shall add to the agenda any new items or draft resolutions requested by either one or more shareholders jointly representing at least the percentage of the Company's shares required by law, or by a group of shareholders fulfilling the requirements set out in Article L.225-120 of the French Commercial Code, or, exclusively for draft resolutions, by the Works Council. The initiators of requests shall supply any documents required by applicable laws and regulations in support of their request.

The right to attend Shareholders' Meetings shall be based upon registration, at least two working days before the meeting, of the shareholder's name or the name of the depository registered on the shareholder's behalf, either in the registered accounts held by the Company or in the bearer shares trading accounts held by the approved depository.

Shareholders may be represented by any legal or natural person they choose, subject to the regulatory conditions applicable. Proxies shall be appointed using a signed proxy form indicating the proxy's surname, first name and address. A proxy may not sub-delegate their proxy to another person. Proxy forms are valid exclusively for a single Shareholders' Meeting, or for adjourned meetings convened with the same agenda.

If the Board so decides when convening a meeting or sending a meeting notice, shareholders may also attend and vote at meetings via video conference or using any telecommunication systems enabling them to be identified as provided for by law.

At each Annual General Shareholders' Meeting, the attendance sheet will indicate the following:

- the surnames, first names and place of residence of each shareholder; the number of shares they hold and corresponding voting rights;
- the surnames, first names and place of residence of each proxy; the number of shares they hold and corresponding voting rights;
- the surnames, first names and place of residence of each shareholder represented; the number of shares they hold and corresponding voting rights.

The attendance sheet shall be signed by all shareholders present and by proxies. It will be certified as accurate by the Meeting's Reporting Committee. The attendance sheet with the proxy forms attached thereto shall be kept at the head office and made available upon request.

Once properly constituted, an Annual General Shareholders' Meeting represents all shareholders. Its resolutions shall be binding on all shareholders, even those who are absent, dissenting or incapacitated. At Ordinary or Extraordinary Meetings, the quorum is calculated based on the total number of shares in the share capital. For Special Meetings, it is based on all the shares from the category concerned, less those deprived of voting rights under statutory or regulatory provisions.

Minutes shall be made of the proceedings of Annual General Shareholders' Meetings and signed by the Reporting Committee members. The minutes shall be either transferred to, or inserted into, a special minute book issued according to regulatory provisions, with each page initialed and signed.

Quorum and majority requirements at Ordinary General Shareholders' Meetings

All shareholders may take part in the proceedings and vote on resolutions, provided that the shares they hold have been fully paid up.

For deliberations of the Annual General Shareholders' Meeting to be valid on first convening, a number of shareholders representing at least one-fifth of the share capital must be present. If this condition is not met, the Annual General Shareholders' Meeting held on second call can pass resolutions, regardless of the number of shares represented, but only on the items from the agenda for the initial meeting.

Resolutions of the Ordinary General Shareholders' Meeting are adopted by a majority of the votes of the shareholders present or represented, plus one vote. The members of the meeting have the same number of votes as the shares that they hold and represent, without limitation, except at Annual General Shareholders' Meetings convened for incorporation purposes, when each shareholder casts the votes of their principals on the same terms and within the same limits.

However, all fully paid-up shares that have been registered in a single shareholder's name for at least two years shall be granted twice the number of voting rights conferred on other shares relating to the portion of share capital they represent.

Furthermore, in case of a capital increase by incorporating retained earnings, net profits or share premiums, double voting rights shall be conferred upon the issuance of registered shares allotted for free on the basis of existing shares holding such double voting rights.

Quorum and majority requirements at Extraordinary General Shareholders' Meetings

Resolutions are adopted by a majority of two-thirds of the votes of the shareholders present or represented. The members of the meeting have the same number of votes as the shares that they hold and represent, without limitation, except at Annual General Shareholders' Meetings called for incorporation purposes, when each shareholder casts the votes of their principals on the same terms and within the same limits. However, all fully paid-up shares that have been registered in a single shareholder's name for at least two years shall be granted twice the number of voting rights conferred on other shares relating to the portion of share capital they represent.

Furthermore, in case of a capital increase by incorporating retained earnings, net profits or share premiums, double voting rights shall be conferred upon the issuance of registered shares allotted for free on the basis of existing shares holding such double voting rights.

An Extraordinary General Shareholders' Meeting is properly constituted and is quorate for decision-making when the number of shareholders present or represented represents at least one-quarter of the share capital. Failing this, a new meeting shall be convened as required by law, specifying the agenda, date and outcome of the previous meeting. The reconvened meeting is quorate for decision-making if shareholders representing at least one-fifth of the share capital are present or represented. If the required quorum is not achieved, the reconvened meeting may be adjourned until a later date within two months of the day that the initial meeting was convened, under the same conditions for convening and holding the meeting.

Notwithstanding the foregoing and by statutory dispensation, an Extraordinary General Shareholders' Meeting called to decide on a capital increase via incorporation of retained earnings, net profits or share premiums may proceed under the quorum and majority conditions for an Ordinary General Shareholders' Meeting.

Quorum and majority requirements at Special General Meetings

Special General Meetings shall be convened and shall deliberate as provided for by law.

Double voting rights

According to Article 19 of the Articles of Association:

"All fully paid-up shares that have been registered in a single shareholder's name for at least two years shall be granted twice the number of voting rights conferred on other shares relating to the portion of share capital they represent.

Furthermore, in case of a capital increase by incorporating retained earnings, net profits or share premiums, double voting rights shall be conferred upon the issuance of registered shares allotted for free on the basis of existing shares holding such double voting rights."

This provision was included in the Articles of Association for the first time by the shareholders at their Extraordinary General Shareholders' Meeting on June 10, 1986, which resolved that double voting rights should be attached to all fully paid-up shares registered in a single shareholder's name for at least five years. Subsequently, at their meeting on June 8, 1988, the shareholders amended the Articles of Association, reducing the required term for registration in a single shareholder's name from five years to four years, which the shareholders finally reduced further to the current two-year term at their meeting on September 18, 1998.

Moreover, pursuant to Article L.225-124, Paragraph 1, of the French Commercial Code, double voting rights are rendered null and void *ipso jure* when shares are converted into bearer form or if their ownership is transferred. However, transfers through inheritance, the liquidation of marital assets, inter vivos transfers to a spouse or direct relative and transfers resulting from the merger or demerger of a shareholding company do not result in the loss of double voting rights.

Subject to the double voting rights attached to all fully paid-up shares registered in a single shareholder's name for at least two years, no clause in the Articles of Association or in the issuer's internal Rules of Procedure shall have the effect of delaying, deferring or preventing a change of control over the Company.

Major shareholding thresholds (Article 8)

In addition to instances when the regulatory thresholds are exceeded, which must be reported to both the Company and the Autorité des marchés financiers as set out in Article L.233-7 of the French Commercial Code, any individual or legal entity owning a number of shares amounting to over 2% of the share capital or the voting rights, or any multiple thereof, shall, within four trading days (before close of trading) of the date on which each shareholding threshold is crossed, give notice of the total number of shares and voting rights held to the Company, in a letter sent by recorded delivery with return receipt requested. Failing such notice, the shares exceeding the fraction that should have been reported shall be deprived of voting rights at Shareholders' Meetings, as provided for by law, if failure of notice has been noted at the time of a Shareholders' Meeting, and if one or more shareholders, together holding at least 5% of the share capital, request this at the said meeting. Similarly, any person whose direct or indirect interest falls below each of the above-mentioned thresholds shall give notice thereof to the Company in the form and within the period specified above.

8.1.5 Factors liable to affect the price of a public offer

The Company's ownership structure, the clauses of any agreements covered by Article L.233-11 of the French Commercial Code and any direct or indirect holdings in the Company's capital known to the Company under the provisions applicable for shareholding thresholds are described in section 8.3 of this Registration Document.

The Articles of Association do not provide for any restrictions concerning the exercise of voting rights (except for the penalty for failure to disclose when the legal shareholding thresholds as set forth in the Articles of Association are crossed) or the transfer of shares.

There are no shareholders entitled to any special rights of control.

The Company has no employee shareholding arrangements that provide for control mechanisms.

The powers of the Board of Directors and the rules that apply for the appointment and replacement of Board members are described in section 3.1 of this Registration Document.

The shareholders are authorized at Extraordinary General Shareholders' Meetings to make any decisions and any changes to the provisions in the Articles of Association.

The agreements providing for compensation for directors and executive officers, particularly in the case of early termination due to a change of control, are described in Chapter 3 of this Registration Document.

The Company has not entered into any agreements that would be modified or terminated in the event of a change of control over the Company. Nevertheless, in connection with the Company's bond issue on May 13, 2014, and in accordance with the prospectus dated May 16, 2014, the bondholders (as defined in the "Terms and Conditions for the Bonds") will, in the event of a change of control over the issuer, be entitled to ask the issuer to redeem or facilitate the purchase of their bonds at face value, plus accrued interest, under the "Terms and Conditions for the Bonds – Redemption option for Bondholders further to a change of control". In the same way, holders of bonds convertible into and/or exchangeable for new or existing shares (OCEANE) of Ingenico Group SA issued on June 26, 2015 have the right to redeem them in the event of a change of control of the issuer, as provided for in the terms and conditions of the said convertible bonds.

There are no agreements providing for compensation for employees who resign, are dismissed or terminated as a result of a public offer.

8.2 Share capital

8.2.1 Share capital at December 31, 2015

At December 31, 2015, the Company's total share capital amounted to €60,990,600, for an equivalent number of shares, representing 63,473,418 theoretical voting rights (including shares for which voting rights have been suspended) and 63,197,124 exercisable voting rights.

8.2.2 Changes in share capital over the past five years

Date	Transaction	Shares issued/ cancelled	Par value	No. of shares	Share capital
May 31, 2011	Capital increase resulting from 439,205 new shares issued in connection with the distribution of the stock dividend for 2010, placed on record by the Chairman and Chief Executive Officer, as delegated by the Board	+439,205	€1	51,951,176	€51,951,176
December 31, 2011	Capital increase resulting from stock options exercised between January 1 and December 31, 2011, placed on record on January 4, 2012, by the Chairman and Chief Executive Officer, as delegated by the Board	+29,127	€1	51,980,303	€51,980,303
May 31, 2012	Capital increase resulting from 423,144 new shares issued in connection with the distribution of the stock dividend for 2011, placed on record by the Chairman and Chief Executive Officer, as delegated by the Board	+423,144	€1	52,403,447	€52,403,447
June 29, 2012	Capital increase resulting from 75,295 new shares issued in consideration for securities exchanged in connection with Xiring SA's merger into the Company	+75,295	€1	52,478,742	€52,478,742
September 30, 2012	Capital increase resulting from stock options exercised between January 1, 2012 and September 30, 2012, placed on record by the Chairman and Chief Executive Officer, as delegated by the Board	+3,737	€1	52,482,479	€52,482,479
December 31, 2012	Capital increase resulting from stock options exercised between October 1, 2012 and December 31, 2012, placed on record by the Chairman and Chief Executive Officer, as delegated by the Board	+5,179	€1	52,487,658	€52,487,658
June 03, 2013	New shares issued in connection with the distribution of the stock dividend for 2012, placed on record by the Chairman and Chief Executive Officer	+581,967	€1	53,069,625	€53,069,625
December 11, 2013	Share capital increase resulting from stock options exercised between June 3, 2013 and October 31, 2013, placed on record by the Board of Directors	+16,684	€1	53,086,309	€53,086,309

Date	Transaction	Shares issued/ cancelled	Par value	No. of shares	Share capital
June 11, 2014	New shares issued in connection with the distribution of the stock dividend for 2013, placed on record by the Chairman and Chief Executive Officer	+398,304	€1	53,484,613	€53,484,613
June 23, 2014	New free shares issued, placed on record by the Chairman and Chief Executive Officer	+397,832	€1	53,882,445	€53,882,445
July 07, 2014	661,146 new shares issued, with a par value of €1, in connection with the conversion of 651,377 Ingenico 2011/2017 OCEANE bonds, placed on record by the Chairman and Chief Executive Officer	+661,146	€1	54,543,591	€54,543,591
September 1, 2014	New shares issued in connection with the conversion of Ingenico 2011/2017 OCEANE bonds, placed on record by the Chairman and Chief Executive Officer	+1,131,016	€1	55,674,607	€55,674,607
September 09, 2014	New shares issued in connection with the conversion of Ingenico 2011/2017 OCEANE bonds, placed on record by the Chairman and Chief Executive Officer	+356,856	€1	56,031,463	€56,031,463
October 09, 2014	New shares issued in connection with the conversion of Ingenico 2011/2017 OCEANE bonds, placed on record by the Chairman and Chief Executive Officer	+79,170	€1	56,110,633	€56,110,633
November 12, 2014	New shares issued in connection with the conversion of Ingenico 2011/2017 OCEANE bonds, placed on record by the Chairman and Chief Executive Officer	+173,249	€1	56,283,882	€56,283,882
December 09, 2014	New shares issued in connection with the conversion of Ingenico 2011/2017 OCEANE bonds, placed on record by the Chairman and Chief Executive Officer	+1,152,899	€1	57,436,781	€57,436,781
January 14, 2015	New shares issued in connection with the conversion of Ingenico 2011/2017 OCEANE bonds, placed on record by the Chairman and Chief Executive Officer	+3,216,566	€1	60,653,347	€60,653,347
June 10, 2015	New shares issued in connection with the distribution of the stock dividend for 2014, placed on record by the Chairman and Chief Executive Officer	+313,580	€1	60,966,927	€60,966,927
July 31, 2015	Shares created in connection with the issuance of 23,673 shares issued as part of a capital increase limited to Ingenico employees eligible for a company savings plan, placed on record by the Chairman and Chief Executive Officer, as delegated by the Board	+23,673	€1	60,990,600	€60,990,600

8.2.3 Shareholders' financial authorizations to the Board of Directors

Authorized unissued capital

A summary of the effective authorizations granted by shareholders to the Board of Directors regarding share capital increases, and the use made of these authorizations during 2015, is provided hereunder. As some of these authorizations have expired or will expire soon, new authorizations will be submitted to the vote at the Annual General Shareholders' Meeting scheduled for April 29, 2016.

Type of authorization	Maximum capital increase that may result from the authorization (par value)	Duration	Use made of authorizations during 2015
Annual General Shareholders' Meeting of May 07, 2014 Share capital reduction through cancellation of shares (1)	10% of the share capital	24 months	None
Annual General Shareholders' Meeting of May 06, 2015 Share capital increase via incorporation of retained earnings, net profits and/or share premiums	€10,000,000	26 months	None
Annual General Shareholders' Meeting of May 06, 2015 Share capital increase through the issuance of ordinary shares and/or securities conferring entitlement to shares and/or the allotment of debt securities, with preferential subscription rights maintained (1)	Independent maximum limits: Aggregate par value of shares that may be issued: €25,000,000. Nominal amount of debt securities that may be issued: €500,000,000	26 months	None
Annual General Shareholders' Meeting of May 06, 2015 Share capital increase through the issuance of ordinary shares and/or securities conferring entitlement to shares and/or the allotment of debt securities, with preferential subscription rights waived, by public offer and/or in consideration for securities in connection with a public exchange offer (1)	Aggregate par value of shares that may be issued: €6,065,334. Nominal amount of debt securities that may be issued: €500,000,000 (2)	26 months	None
Annual General Shareholders' Meeting of May 06, 2015 Issuance of debt securities conferring entitlement to shares, with preferential subscription rights waived, by means of an offer as described in Article L.411-2 II of the French Monetary and Financial Code (1)	Aggregate par value of shares that may be issued: €6,065,334. Nominal amount of debt securities that may be issued: €500,000,000 (2)	26 months	Issuance of bonds convertible into and/or exchangeable for new or existing Ingenico shares (OCEANE) for a nominal amount of €500 million, represented by 2,904,443 bonds with a face value of €172.15
Annual General Shareholders' Meeting of May 06, 2015 Share capital increase in consideration for contributions in kind of shares or securities conferring access to the share capital (1)	10% of the share capital (2)	26 months	None
Annual General Shareholders' Meeting of May 06, 2015 Share capital increase, with preferential subscription rights waived, reserved for employees belonging to a company or Group savings plan (1)	2% of the share capital	26 months	Share capital increase through the issuance of 23,673 shares
Annual General Shareholders' Meeting of May 06, 2015 Issuance of ordinary shares, with preferential subscription rights waived, to employees, directors and executive officers of Group subsidiaries located outside France who are not members of a Company savings plan (1)	2% of the share capital	18 months	None

Type of authorization	Maximum capital increase that may result from the authorization (par value)	Duration	Use made of authorizations during 2015
Annual General Shareholders' Meeting of May 06, 2015 Free awards of new or existing shares [(1)]	5% of the share capital, with a limit of 2% of share capital for the Company's directors and executive officers	38 months	Award of 188,900 shares on the basis of performance criteria (for details, see section 3.3.3 of this Registration Document)
Annual General Shareholders' Meeting of April 29, 2013 Awards of stock subscription or purchase options	2% of the share capital	38 months	No

(1) New authorizations, the terms of which are set out in Chapter 7 of this Registration Document, will be submitted for a vote to the Combined Ordinary and Extraordinary Shareholders' Meeting to be held on April 29, 2016.

(2) The following aggregate ceilings apply to these authorizations: maximum par value for capital increases: €6,065,334 maximum aggregate amount of debt securities that may be issued: €500,000,000.

Authorization to repurchase its own shares

Company transactions to buy back its own shares (Article L.225-211 of the French Commercial Code) during 2015

The Annual General Shareholders' Meeting of May 6, 2015 authorized the Company to launch a share repurchase program, a description of which was included in the Registration Document filed with the AMF on March 20, 2015. The launch of this program was decided by the Board of Directors on May 06, 2015.

This program replaces the program authorized by the Annual General Shareholders' Meeting on May 07, 2014.

Number of treasury shares purchased and sold during 2015

In 2015:

- 571,303 shares were repurchased under the liquidity contract at an average price of €106.56;
- 571,303 shares were sold under the liquidity contract at an average price of €106.82;
- no shares were purchased under mandates other than the liquidity contract.

Number and value of treasury shares at December 31, 2015

As a result of trading activity during the year, the liquidity contract portfolio did not contain any shares at December 31, 2015.

The portfolio of Ingenico shares bought back by the Company for other purposes, based on the authorization from the Annual General Shareholders' Meeting of May 06, 2015 and previous authorizations, totaled 276,294 shares at December 31, 2015.

At December 31, 2015, the Company therefore held a total of 276,294 treasury shares, of which:

- none were purchased under the liquidity contract; and
- 276,294 were purchased for other purposes, representing 0.45% of the total share capital of 60,990,600 shares with a face value of €1 each.

The values of this portfolio at December 31, 2015 were as follows:

- net book value: €7,034,657.10;
- market value: €32,188,251 based on the closing price of €116.50 on December 31, 2015.

Use of treasury shares, including transfers, for other purposes

During 2015, 4,500 treasury shares were used for grants to beneficiaries of free share award plans.

None of those shares were transferred to other accounts in 2015.

During the past 24 months, none of the shares held by the Company were cancelled under the authorizations granted by the Annual General Shareholders' Meeting.

Description of the share repurchase program pursuant to Article 241-2 of the General Regulations of the AMF

Breakdown by objective for shares held at February 29, 2016

Number of shares held directly and indirectly: 276,294 representing 0.45% of the company's share capital.

At February 29, 2016, the 276,294 shares held by the Company were assigned to the objective of hedging plans, the award of free shares by the Company to its employees, directors and executive officers or those of its Group.

At the Combined Ordinary and Extraordinary Shareholders' Meeting on April 29, 2016, the shareholders will be asked to approve a new authorization for the Company to trade in its own shares on the following terms:

"The shareholders, deliberating with the quorum and majority required for ordinary meetings, after reviewing the report of the Board of Directors, hereby resolve to authorize the Board of

Directors, in accordance with Articles L.225-209 *et seq.* of the French Commercial Code, Articles 241-1 to 241-6 of the General Regulations of the Autorité des marchés financiers, Commission regulation (EC) No 2273/2003 of December 22, 2003 and the market practices authorized by the regulations, to trade in the Company's shares by any means, on or off the stock market, and in one or more transactions.

This authorization is intended to allow the Company to do the following:

- to hold and use Company shares as a means of exchange or consideration in external growth transactions, in compliance with current laws and regulations and with standard market practices;
- to use Company shares in connection with the exercise of rights attached to Company securities conferring immediate or future entitlement to Company shares through conversion, exercise, redemption or exchange, presentation of a warrant or by any other means, and carry out any transactions required to hedge the Company's obligations in connection with these securities, in accordance with the stock market regulations at the time that the Board of Directors or any person to whom the Board has delegated its powers may act;
- to implement any Company stock option plan granted in accordance with Articles L.225-177 *et seq.* of the French Commercial Code, any award, in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code, of free Company shares to employees, directors and executive officers, whether as part of their compensation, as a means to allow them to benefit from the Company's growth or in connection with a Company or Group employee shareholding or savings plan and/or any other form of share allocation programs for employees and/or directors and executive officers of the Group, and to carry out any transactions required to hedge the Company's obligations in connection with these programs, in accordance with the stock market regulations at the time that the Board of Directors or any person to whom the Board has delegated its powers may act;
- maintain a liquid market for the Company's shares via a liquidity contract with an independent investment services provider that complies with a code of ethics that has received regulatory approval;
- cancel some or all of the Company's shares bought back with the intention of reducing the share capital, under the authorization granted or to be granted by the Annual General Shareholders' Meeting;
- and generally pursue any aims permitted by law or engage in any market practices that may be authorized by the market authorities, it being understood that in such cases, the Company would issue a statement to inform its shareholders.

The shareholders hereby resolve that the number of Company shares acquired under this authorization shall not exceed 10% of the total number of shares making up the share capital on the date of purchase, after deducting the number of shares resold during the program to maintain a liquid market for the Company's shares, while noting that the share acquisitions made by the Company may under no circumstances permit the Company to hold more than 10% of its total share capital, either directly or indirectly. Consequently, on the basis of the share capital at December 31, 2015 (divided into 60,990,600 shares), and taking into account the 276,294 treasury shares held at that date, the Company would be authorized to purchase up to 5,822,766 shares.

Shares may be acquired by any means that are in accordance with current stock market regulations and the acceptable market practices, including, where applicable, trading in derivatives and options on regulated or over-the-counter markets, provided that use of such means does not significantly increase the volatility of the Company's share price.

However, such transactions may not be carried out during a public offering period initiated by a third party for the Company's shares and until the end of the offer period.

Shares may be purchased by any means, including the acquisition of blocks of shares, and at such times as the Board of Directors decides.

The purchase price per share is not to exceed €180. On the basis of the share capital at December 31, 2015, including the treasury shares held by the Company at that date, the maximum consideration the Company could pay, if purchasing shares at the maximum price of €180, would be €1,048,097,880.

In the event of capital increases carried out through incorporation of retained earnings or free share awards, or in the event of stock splits or reverse splits, depreciation or reduction of the share capital, or any other transaction affecting the share capital, the aforementioned price shall be adjusted by a multiplier equal to the ratio between the number of shares that made up the share capital prior to the transaction and the number of shares after the transaction.

In order to ensure the implementation of the present authorization, the Board of Directors is hereby granted the necessary powers, with the option to sub-delegate, to perform any and all actions, in particular to decide whether a share buyback program is appropriate and to determine the procedures for carrying out such a program, to draft and issue a fact sheet about the program, to place all orders on the stock market, to sign all deeds of transfer or assignment, to enter into all agreements required, particularly for the keeping of records of share purchases and sales, to carry out any and all filings with the Autorité des marchés financiers and any other body, as well as any and all other formalities, including allocating or reallocating purchased shares for their various intended purposes, and generally to do whatever is required.

The present authorization is hereby granted for a period of 18 months from the date of this Annual General Shareholders' Meeting and replaces the authorization granted to the same effect by the Annual General Shareholders' Meeting of May 6, 2015."

Authorization to reduce the share capital

At their Annual General Shareholders' Meeting on May 7, 2014, the shareholders authorized the Company to reduce the share capital by canceling treasury shares for a period of 24 months.

This authorization was not implemented in 2015. A new authorization will be submitted to the Combined Ordinary and Extraordinary Shareholders' Meeting of April 29, 2016, as stated below:

"The shareholders, deliberating with the quorum and majority required for extraordinary meetings, after reviewing the report of the Board of Directors and the statutory auditors' report:

1) Grants the Board of Directors the authorization to cancel, at its sole discretion, on one or more occasions, up to 10% of the

share capital calculated on the day of the decision to cancel, less any shares cancelled during the previous 24 months, any shares that the Company holds or may hold as a result of buybacks made pursuant to Article L.225-209 of the French Commercial Code, and to reduce the share capital proportionately in accordance with the applicable laws and regulations.

2) Resolves that, unless previously authorized by the Annual General Shareholders' Meeting, the Board of Directors may not use this authorization once a third party has filed a proposed public offer for the Company's shares and until the end of the offer period.

3) Grants this delegation of authority for a period of 24 months from the date of this meeting.

Grants all powers to the Board of Directors to complete the transactions necessary for such cancellations and the corresponding reductions of share capital, to amend the Articles of Association, and to complete all necessary formalities."

8.2.4 Potential share capital

The potential share capital comprises free shares that may be newly issued or outstanding, as well as OCEANE convertible/exchangeable bonds issued on June 26, 2015.

At December 31, 2015, this represented a maximum dilution rate of 5.42% of the Company's share capital.

Stock options

At December 31, 2015, there were no stock options available.

Performance shares

During 2015, the Company awarded 188,900 free shares to Group employees, which will be vested once the performance criteria have been achieved. These criteria are detailed in section 3.3.3 of this Registration Document.

At December 31, 2015, there were 399,890 free shares outstanding for which the vesting period had not yet expired, representing a dilution rate of 0.66% of the Company's share capital.

The Board of Directors may decide to record these shares as either existing or new shares until the vesting date.

Early redemption of OCEANE bonds maturing on January 1, 2017

On December 15, 2014, the Group announced its decision to proceed with the early redemption of the 3,175,529 OCEANE bonds convertible and/or exchangeable into new or existing shares issued on March 11, 2011 and still outstanding at December 15, 2014.

With the majority of bondholders choosing the option for their bonds to be converted into shares, on January 14, 2015, the Group increased its share capital by issuing 3,216,566 shares with a par value of €1 each, combined with an issue premium of €115,431,472.65, resulting in a €118.6 million increase in shareholders' equity and a reduction of €118.9 million in its net debt.

OCEANE bond maturing June 26, 2022

On June 26, 2015, pursuant to the 12th resolution of the Extraordinary General Shareholders' Meeting of May 6, 2015, the Company launched a €500 million bond issue for private placement without preferential subscription rights. The issue was comprised of 2,904,443 bonds, convertible into and/or exchangeable for new or existing Ingenico shares, with a face value of €172.15 each and a maturity date of June 26, 2022. These OCEANE bonds are listed on the open market.

They do not bear a coupon. The Company may, at its discretion, deliver new shares or existing shares or a combination of both.

No new shares were issued in 2015 for the OCEANE bond issued on June 26, 2015.

At December 31, 2015, the number of shares that could be issued was 2,904,443 for a maximum dilution rate of 4.76% of the share capital linked to OCEANE bonds at that date.

8.3 Share ownership

8.3.1 Changes in share ownership over the last three financial years

Share ownership is broken down based on a total of 60,990,600 shares at December 31, 2015, which carry a total of 63,197,124 voting rights (including double voting rights and excluding treasury shares).

Shares that have been registered for over two years have double voting rights. These double voting rights are based on the information in the Shareholders' Register managed by Caceis Corporate Trust.

Pursuant to Article L.225-124, Paragraph 1 of the French Commercial Code, double voting rights are rendered null and void *ipso jure* when shares are converted into bearer form or if their ownership is transferred.

Nevertheless, transfers through inheritance, the liquidation of marital assets, inter vivos transfers to a spouse or direct relative or transfers resulting from the merger or demerger of a shareholding company do not result in the loss of double voting rights.

Major shareholders

To the best of the Company's knowledge, share ownership at December 31, 2015 was broken down as follows:

December 31, 2015	Number of shares	% shares	Number of voting rights	% actual voting rights	% theoretical voting rights (1)
Shareholders					
Allianz Global Investors (2)	3,694,001	6.06%	3,694,001	5.84%	5.82%
BPI France Participations (3)	3,335,935	5.47%	3,335,935	5.28%	5.26%
Jupiter (4)	2,763,032	4.53%	3,991,515	6.31%	6.29%
Ameriprise (Threadneedle) (5)	1,693,070	2.78%	1,693,070	2.68%	2.66%
Amundi (6)	1,666,078	2.73%	1,666,078	2.64%	2.62%
MAJOR SHAREHOLDERS	**13,152,116**	**21.56%**	**14,380,599**	**22.75%**	**22.66%**
Employee shareholding (Article L.225 of the French Commercial Code)	158,425	0.26%	283,124	0.45%	0.45%
Treasury shares	276,294	0.45%	-	-	0.44%
Of which, shares held under liquidity contract	-	-	-	-	-
Other shareholders (bearer and registered)	47,403,765	77.72%	48,533,401	76.80%	76.46%
TOTAL	**60,990,600**	**100%**	**63,197,124**	**100%**	**100%**

(1) Pursuant to Article 223-11 of the AMF General Regulations, the number of theoretical voting rights is calculated on the basis of all shares with voting rights, including shares with suspended voting rights.
(2) Based on the most recent information in the shareholding threshold crossing statement received on August 07, 2015 (position as of August 03, 2015).
(3) BPI France Investments is indirectly controlled by the Caisse des Dépôts et Consignations which indirectly holds 3,630,945 shares and voting rights according to the latest threshold crossing statement sent to the Company on July 27, 2015 (position as of July 22, 2015).
(4) Based on the most recent information in the shareholding threshold crossing statement received on June 23, 2015 (position as of June 23, 2015).
(5) Based on the most recent information in the shareholding threshold crossing statement received on May 27, 2015 (position as of May 21, 2015).
(6) Based on the most recent information in the shareholding threshold crossing statement received on March 19, 2013 (position as of March 18, 2013).

To the best of the Company's knowledge, there is no other shareholder who holds, directly or indirectly, either alone or with one or more other shareholders, over 2% of the share capital or voting rights.

To the best of the Company's knowledge, there have been no significant changes since December 31, 2015.

On May 19, 2015, Safran announced the sale by its subsidiary Morpho of 3,335,935 shares of the Company to Bpifrance in an off-market transaction. It further stated that its remaining interest would be gradually sold on the market or in blocks to qualified investors.

The Company is not controlled by another company within the meaning of Article L.233-3 of the French Commercial Code. To the best of the Company's knowledge, there are no agreements in place that could bring about a change in control at some future date.

To the best of the Company's knowledge, share ownership at December 31, 2014 was broken down as follows:

December 31, 2014	Number of shares	% shares	Number of voting rights	% actual voting rights
Shareholders				
Morpho [(1)]	5,516,644	9.60%	10,865,207	16.70%
Jupiter	2,796,075	4.87%	3,818,945	5.87%
Allianz Global Investors	2,140,933	3.73%	2,140,933	3.29%
Ameriprise (Threadneedle)	2,099,136	3.65%	2,099,136	3.23%
Cantillon	1,916,197	3.34%	1,388,599	2.14%
BNP Paribas	1,829,803	3.19%	1,829,803	2.81%
Amundi	1,666,078	2.90%	1,666,078	2.56%
MAJOR SHAREHOLDERS	**17,964,866**	**31.28%**	**23,808,701**	**36.60%**
Employee shareholding (Article L.225 of the French Commercial Code)	155,955	0.27%	280,654	0.43%
Treasury shares	280,794	0.49%	-	-
Of which, shares held under liquidity contract	-	-	-	-
Other shareholders (bearer and registered)	39,035,166	67.96%	40,954,745	62.97%
TOTAL	**57,436,781**	**100%**	**65,044,100**	**100%**

(1) Excluding 2,020 shares corresponding to 4,040 voting rights held through a consumer loan by two directors.

To the best of the Company's knowledge, share ownership at December 31, 2013 was broken down as follows:

December 31, 2013	Number of shares	% shares	Number of voting rights	% actual voting rights
Shareholders				
Morpho [(1)]	5,440,237	10.25%	10,467,414	16.76%
Jupiter	3,238,578	6.10%	3,997,992	6.40%
AXA Investment Managers	2,159,011	4.07%	2,159,011	3.46%
BNP Paribas	1,701,496	3.21%	1,701,496	2.72%
Amundi	1,666,078	3.14%	1,666,078	2.67%
Ameriprise (Threadneedle)	1,118,377	2.10%	1,118,377	1.79%
Allianz Global Investors	1,046,062	1.97%	1,046,062	1.67%
MAJOR SHAREHOLDERS	**16,369,839**	**30.84%**	**22,156,430**	**35.47%**
Employee shareholding (Article L.225 of the French Commercial Code)	126,969	0.24%	250,591	0.40%
Treasury shares	280,794	0.53%	-	-
Of which, shares held under liquidity contract	-	-	-	-
Other shareholders (bearer and registered)	36,308,707	68.39%	40,057,642	64.13%
TOTAL	**53,086,309**	**100%**	**62,464,663**	**100%**

(1) Excluding 2,020 shares corresponding to 4,040 voting rights held through a consumer loan by two directors.

8.3.2 Dividend policy

The Board of Directors decides on the amount of dividend payments, which are based on the Company's operational results, financial position and investment policy in particular. The Company's dividend policy is based on paying out a dividend representing 35% of its net profit.

Ingenico's Board of Directors decided to submit a resolution to the Annual General Shareholders' Meeting of April 29, 2016 to pay a dividend for 2015 of €1.30 per share, payable in cash or in shares.

Financial year for which dividends were paid	Net dividend per share *(in €)*	Dividend payment date
2015	1.30	Subject to approval at the Annual General Shareholders' Meeting on April 29, 2016
2014	1.00	June 10, 2015
2013	0.80	June 11, 2014
2012	0.70	June 03, 2013
2011	0.50	May 31, 2012

Five years after the distribution date, all unclaimed dividends will be forfeited and paid to the French Treasury.

8.3.3 Shareholding disclosure thresholds

Regulatory thresholds

The complete version of the following declarations regarding the crossing of major shareholding thresholds can be viewed online on the AMF website.

Shareholder	AMF ruling no.	AMF ruling date	Date threshold was crossed	Threshold	Threshold crossed by increase or decrease
Allianz Global Investors GmbH	215C0522	April 24, 2015	April 22, 2015	5% of share capital and voting rights	Increase
Morpho	215C0701	May 26, 2015	May 20, 2015	15% and 10% of voting rights and 5% of share capital and voting rights	Decrease
Bpifrance Participations SA (1)	215C0694	May 22, 2015	May 19, 2015	5% of share capital and voting rights	Increase
Bpifrance Participations SA (2)	215C0698	May 26, 2015	May 19, 2015	5% of share capital and voting rights	Increase

(1) Disclosure made by Caisse des Dépôts et Consignations for its direct and indirect shareholding in Bpifrance Participations.
(2) Disclosure made by EPIC BPI Group for its indirect shareholding in Bpifrance Participations.

Company statutory thresholds

Shareholder	Date threshold was crossed	Threshold crossed by increase or decrease	Threshold	No of shares after threshold crossed	% of share capital after threshold crossed	% of voting rights after threshold crossed
Allianz Global Investors GmbH	March 13, 2015	Increase	4% of share capital	2,435,983	4.02%	3.63%
Allianz Global Investors GmbH	April 22, 2015	Increase	4% of voting rights	3,218,063	5.31%	4.78%
AXA Investment Managers	April 29, 2015	Decrease	2% of share capital	1,198,905	1.98%	1.78%
Cantillon	May 04, 2015	Decrease	2% of voting rights	1,782,755	2.94%	1.91%
Threadneedle Investments	May 08, 2015	Decrease	2% of voting rights	1,295,321	2.136%	1.890%
AXA Investment Managers	May 08, 2015	Increase	2% of capital	1,213,996	2.00%	1.77%
Morpho	May 12, 2015	Decrease	16% of voting rights	5,516,644	9.1%	15.86%
AXA Investment Managers	May 12, 2015	Decrease	2% of share capital	1,210,462	1.996%	1.766%
Cantillon	May 18, 2015	Decrease	2% of share capital	1,134,956	1.871%	1.196%
Caisse des dépôts, including [(1)]:	May 19, 2015	Increase	2%, 4% et 6% of share capital and 2%, 4% ofvoting rights	3,732,022	6.15%	5.72%
• BPI Participations				3,335,935	5.50%	5.12%
• CDC EVM				396,087	0.65%	0.60%
EPIC BPI Groupe [(1)] including: BPI Participations	May 19, 2015	Increase	2% of share capital and 4% of voting rights	3,335,935	5.50%	5.12%
Morpho	May 20, 2015	Decrease	8%, 6%, 5% and 4% of share capital 10%, 8%, 6%, 5% and 4% of voting rights	2,180,709	3.6%	3.18%
Morpho	May 21, 2015	Decrease	2% of share capital and of voting rights	-	-	-
Threadneedle Investments	May 21, 2015	Increase	2% of voting rights	1,693,070	2.791%	2.471%
Jupiter	June 23, 2015	Increase	6% of voting rights	2,763,032	4.554%	6.341%
Caisse des dépôts [(1)]	July 22, 2015	Decrease	6% of share capital	3,630,945	5.95%	5.74%
Allianz Global Investors	August 03, 2015	Increase	6% of share capital	3,694,001	6.06%	5.84%
BNP Paribas Investment Partners [(2)]	August 09, 2015	Decrease	-	1,000,476	1.6404%	1.5693%
BNP Paribas Investment Partners [(2)]	August 28, 2015	-	-	1,153,322	1.8910%	1.8056%
BNP Paribas Investment Partners [(2)]	November 25, 2015	-	-	816,514	1.3388%	1.2825%
BNP Paribas Asset Management	December 1, 2015	-	-	811,057	1.3298%	1.2738%
BNP Paribas Asset Management	December 10, 2015	-	-	786,794	1.29%	1.2359%

(1) BPI Participations is indirectly jointly controlled by Caisse des Dépôts and by EPIC BPI Groupe.
(2) Disclosure made by BNP Investment Partners for the companies it controls within the meaning of Article L.233-3 of the French Commercial Code.

8.3.4 Shareholder agreements

To the best of the Company's knowledge, there is no agreement or shareholders' agreement as mentioned in Article L.233-11 of the French Commercial Code other than that published by the AMF under the number 206C2177, concluded on November 23, 2006 by Candel & Partners SAS [(1)], FBT SCA [(2)] (formerly Financière de Tayninh SCA), Consellior SAS [(3)] and Mr. Allan Green with Raiffeisen Centrobank AG [(4)] (hereinafter referred to as "RCB") in relation to Ingenico. This agreement restated and replaced the shareholders' agreement entered into on October 4, 2004 which constituted an action in concert between its signatories (refer to AMF Ruling and Notice No. 204C1192 of October 7, 2004 and AMF Ruling and Notice No. 204C1198 of October 11, 2004).

On November 8, 2011, Mr. Allan Green informed the Company and the Autorité des marchés financiers that, on November 4, 2011, the Consellior group and RCB had ended their action in concert and adherence to the shareholders' agreement of November 23, 2006. Since that date, the Consellior group has consisted only of Consellior SAS, Candel & Partners and Mr. Allan Green.

(1) Company controlled by Mr. Allan Green, 4 Avenue Hoche, 75008 Paris, France.

(2) Limited partnership wholly owned by Candel & Partners, 4 Avenue Hoche, 75008 Paris, France.

(3) Limited liability joint-stock company controlled by Mr. Allan Green, 4 Avenue Hoche, 75008 Paris, France.

(4) Company of the banking Group Raiffeisen, Tegetthoffstrasse 1, A-1010 Vienna, Austria.

8.4 Market for Ingenico Group shares

8.4.1 Listing

Ingenico Group shares are listed in France on Euronext Paris - Compartment A and have been included since August 2015 in the CAC Next 20 index.

Ingenico Group announced the reclassification of its ICB (Industry Classification Benchmark) category from "Industrial Goods and Services" to "Technology" as of March 2012. Ingenico Group is also included in the Stoxx Europe 600 and SBF 120 stock market indexes.

At the end of December 2015, Ingenico's share price closed at €116.50 and its market capitalization was €7.10 billion.

8.4.2 Ingenico Group share price and volume of transactions (ISIN: FR0000125346)

Change in the share price and volume of transactions over 18 months

Month	High *(in €)*	Low *(in €)*	Volume traded *(in millions of shares)*	Closing price *(in €)*	Capital traded *(in € million)*	Average price *(in €)*
July 2014	77.88	63.73	3.88	75.73	276.11	70.83
August 2014	76.53	70.81	1.88	73.12	139.51	74.36
September 2014	80.90	72.43	3.10	80.88	239.47	77.18
October 2014	82.19	68.03	4.78	79.47	363.62	76.65
November 2014	86.99	79.31	3.04	86.88	252.17	83.29
December 2014	88.99	80.81	4.07	87.28	348.25	85.86
January 2015	93.00	85.61	3.20	92.68	286.99	89.49
February 2015	100.10	91.02	3.95	99.53	376.27	95.40
March 2015	105.75	96.52	5.44	102.30	555.81	102.11
April 2015	113.45	100.85	4.93	112.10	525.86	106.21
May 2015	117.25	110.95	3.83	112.95	437.59	114.38
June 2015	114.95	105.30	5.18	105.30	576.95	111.70
July 2015	119.35	103.00	5.49	119.35	606.20	109.40
August 2015	127.60	110.40	11.96	110.40	1,392.40	119.89
September 2015	108.50	98.38	10.29	107.80	1,078.74	104.40
October 2015	115.00	103.20	7.43	107.40	799.18	107.14
November 2015	119.15	107.60	4.27	119.15	472.76	110.90
December 2015	121.30	112.60	3.25	116.50	393.09	116.40
January 2016	113.5	100.75	4.27	108.8	461.68	107.14
February 2016	108.7	90.87	7.68	93.24	754.93	97.60

Data: Bloomberg.

8.4.3 OCEANE bonds and standard bonds

Bond issue

On May 20, 2014, Ingenico SA issued bonds maturing on May 20, 2021 with a view to improving its financial flexibility for its growth strategy. The par value of the issue is €450,000,000, or 4,500 bonds with a face value of €100,000. The bonds pay a coupon of 2.50%. The €2,443,000 in bond issue expenses and the €1,170,000 issue premium are amortized on a straight-line basis over the term of the bonds. The bonds are listed on the Euronext Paris market.

Convertible bond debt

During the year, the holders of OCEANE bonds issued in 2011 exercised their option to convert 3,169,040 of these bonds into shares, representing an aggregate par value of €118,648,000. Based on a conversion ratio of 1 OCEANE bond for every 1.015 Ingenico Group SA shares, 3,216,566 new Ingenico SA shares were created during the year. At December 31, 2015, there were no more OCEANE 2011 bonds outstanding.

Details of the OCEANE bonds issued on June 26, 2015 are included in section 8.2.4 of this Registration Document.

At December 31, 2015, there were 2,904,443 OCEANE bonds outstanding, representing an aggregate par value of €499,999,862.45.

8.5 Additional information

8.5.1 Documents available to the public

The Articles of Association and the parent company and consolidated financial statements for the last three financial years may be consulted by appointment at the head office and viewed online at www.ingenico.com/finance.

8.5.2 Person responsible for the Registration Document

Certification of the person responsible for the Registration Document

"I hereby certify that, having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document accurately reflects, to the best of my knowledge, the facts and contains no omission that would be likely to affect its meaning.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the relevant accounting standards and give a true representation of the assets, financial position and operational results of the Company and all consolidated companies, and that the Board of Directors' management report, for which a cross-reference table can be found on page 273 of this Registration Document, is a true reflection of changes in the business, operational results and financial position of the Company and all its consolidated entities, as well as a description of the main risks and uncertainties that they face.

I have obtained a letter from the statutory auditors confirming that they have completed their work and indicating that they have verified the financial position and the financial statements included in this Registration Document and reviewed the document as a whole.

The statutory auditors' report on the consolidated financial statements for the year ended December 31, 2015, set out in Chapter 5 of this Registration Document, may be found on page 185 of this document. The report includes the following remark:

"Without qualifying our opinion, we draw your attention to Note 8 to the consolidated financial statements regarding the status, as of December 31, 2015, of the on-going tax litigation involving Ingenico Group SA's Brazilian subsidiary."

The statutory auditors' report on the consolidated financial statements for the year ended December 31, 2014, as shown on page 192 of the 2014 Registration Document filed with the Autorité des marchés financiers on March 20, 2015 under number D.15-0183, incorporated by reference to the relevant historical accounts, contains the following remark:

"Without qualifying our opinion, we draw your attention to Note 27 to the consolidated financial statements regarding the status, as of December 31, 2014, of the on-going tax litigation involving Ingenico SA's Brazilian subsidiary."

The statutory auditors' report on the consolidated financial statements for the financial year ended December 31, 2013, as shown on page 175 of the 2013 Registration Document filed with the Autorité des marchés financiers on March 28, 2014 under number D.14-0236, incorporated by reference to the relevant historical accounts, contains the following remark:

"Without qualifying our opinion, we draw your attention to Note 27 to the consolidated financial statements regarding the status, as of December 31, 2013, of the on-going tax litigation involving Ingenico SA's Brazilian subsidiary."

Philippe LAZARE
Chairman and Chief Executive Officer

Persons responsible for the financial information as of the date of this Registration Document

Nathalie Lomon, Executive Vice-President Finance & Business Performance (+ 33 (0)1 58 01 84 33)

Stéphanie Constand, Vice-President Investor Relations (+ 33 (0)1 58 01 85 68)

8.5.3 Person responsible for the audit of the financial statements and fees

Information on the statutory auditors

Statutory auditors and alternate auditors

Statutory auditor	*Alternate auditor*
KPMG Audit IS SAS	**KPMG Audit ID SAS**
(512 802 653 RCS Nanterre)	(512 802 489 RCS Nanterre)
Tour EQHO – 2 avenue Gambetta	Tour EQHO – 2 avenue Gambetta
92066 Paris La Défense Cedex, France	92066 Paris La Défense Cedex, France
Represented by Mr. Frédéric Quelin	
KPMG Audit IS SAS is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles (the Versailles Regional Association of Statutory Auditors).	KPMG Audit ID SAS is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles (the Versailles Regional Association of Statutory Auditors).
First appointed: May 11, 2010	***First appointed: May 11, 2010***

KPMG Audit IS SAS and KPMG Audit ID SAS were appointed at the Annual General Shareholders' Meeting of May 11, 2010 (seventh resolution) for a term of six years, which expires at the close of the Annual General Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2015.

A proposed resolution is before the Combined Ordinary and Extraordinary Shareholders' Meeting of April 29, 2016 to appoint KPMG SA as statutory auditor, replacing KPMG Audit IS SAS. The shareholders are also asked to appoint Salustro Reydel SA as Alternate Auditor, replacing KPMG Audit ID SAS, for a term of six years. (For more details about these resolutions, please refer to Chapter 7 of this Registration Document.)

Statutory auditor	*Alternate auditor*
Mazars	**Mr. Jean-Louis Simon**
(784 824 153 RCS Nanterre)	(784 824 153 RCS Nanterre)
Tour Exaltis - 61 Rue Henri Regnault 2075 Paris La Défense, France	Tour Exaltis - 61 Rue Henri Regnault 92075 Paris La Défense, France
Represented by Mr. Thierry Blanchetier and Ms. Ariane Mignon	
Mazars is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles (the Versailles Regional Association of Statutory Auditors).	Mr. Jean-Louis Simon is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles (the Versailles Regional Association of Statutory Auditors).
First appointed: April 29, 2013	***First appointed: April 29, 2013***

Mazars was appointed to replace Conseil Gestion Expertise Comptable, the company which resigned at the Annual General Shareholders' Meeting on April 29, 2013 (seventh resolution), for the remaining term of its predecessor, *i.e.* until the Annual General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2015.

Mr. Jean-Louis Simon was appointed to replace Mr. Daniel Boulay, who resigned, at the Annual General Shareholders' Meeting on April 29, 2013 (eighth resolution), for the remaining term of his predecessor, *i.e.* until the Annual General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2015.

A proposed resolution is before the Combined Ordinary and Extraordinary Shareholders' Meeting of April 29, 2016 to renew the appointments of Mazars and of Mr. Jean-Louis Simon for a term of six years. (For more details about these resolutions, please refer to Chapter 7 of this Registration Document.)

Statutory auditors' Fees

	KPMG				Mazars			
	Fees excl. VAT *(in thousands of euros)*		%		Fees excl. VAT *(in thousands of euros)*		%	
	2015	2014	2015	2014	2015	2014	2015	2014
Audit fees								
Statutory audits, certification of separate and consolidated financial statements								
• Ingenico Group SA	337	425	21%	25%	203	212	30%	32%
• Fully consolidated subsidiaries	854	877	53%	51%	464	377	69%	56%
Other procedures and services directly related to statutory audit engagements								
• Ingenico Group SA	-	93	-	5%	-	26	-	4%
• Fully consolidated subsidiaries	125	101	8%	6%	-	23	-	3%
SUB-TOTAL	**1,316**	**1,496**	**82%**	**87%**	**667**	**638**	**99%**	**95%**
Fees for other services rendered by the audit firms to fully consolidated subsidiaries								
Advisory on legal, tax and labor issues	200	182	12%	11%	7	32	1%	5%
Other	96	48	6%	3%	-	-	-	-
SUB-TOTAL	**296**	**230**	**18%**	**13%**	**7**	**32**	**1%**	**5%**
TOTAL	**1,613**	**1,726**	**100%**	**100%**	**675**	**670**	**100%**	**100%**

CROSS-REFERENCE TABLE TO THE REGISTRATION DOCUMENT

Commission regulation (EC) No 809/2004 dated April 29, 2004 – Annex I		Registration Document
No	**Subject**	**Page of the 2015 Registration Document**
8.	**Property, plant and equipment**	
8.1.	Material tangible fixed assets (existing or planned)	148 to 154
8.2.	Environmental issues that may affect the issuer's utilization of the tangible fixed assets	58 to 68
9.	**Operating and financial review**	
9.1.	Financial position of the issuer, changes in financial position and the results of operations for each financial year and interim period covered by the historical financial information	116 to 120
9.2.	Operating results	116 to 120
9.2.1.	Significant factors materially affecting the issuer's income from operations	23 to 30
9.2.2.	Material changes in net sales or revenues	116
9.2.3.	Governmental, economic, fiscal, monetary or political policies or factors	23 to 30
10.	**Capital resources**	
10.1.	Information concerning the issuer's capital resources	178
10.2.	Sources and amounts and a narrative description of the issuer's cash flows	128, 129, 159, 160 and 168 to 173
10.3.	Information on the issuer's borrowing requirements and funding structure	128, 129, 159, 160 and 168 to 173
10.4.	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	128, 129, 159, 160 and 168 to 173
10.5.	Information regarding the anticipated sources of funds needed to fulfill commitments referred to in items 5.2.3 and 8.1	168 to 173
11.	**Research and development, patents and licenses**	**14 to 22, 118, 137**
12.	**Trend information**	**23**
12.1.	Significant trends in production, sales and inventory, costs and selling prices since the end of the last financial year to the date of the Registration Document	n.a.
12.2.	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year	n.a.
13.	**Profit forecast or estimates**	**None**
14.	**Administrative, management and supervisory bodies and senior management**	
14.1.	Information concerning the members of the administrative, management and supervisory bodies	74 *et seq.*
14.2.	Conflicts of interest at level of the administrative, management and supervisory bodies and senior management	79
15.	**Compensation and benefits**	
15.1.	Amount of compensation paid and benefits in kind granted by the issuer and its subsidiaries	101 *et seq.*
15.2.	Total amounts set aside or accrued by the issuer or its subsidiaries to provide pension, retirement or similar benefits	145
16.	**Board practices**	
16.1.	Date of expiration of the current term of office and the period during which the person has served in that office	78
16.2.	Information about the service contracts of any member of the administrative, management or supervisory bodies with the issuer or any of its subsidiaries providing for benefits in kind, or a statement that this does not apply	79
16.3.	Information about the issuer's Audit and Finance Committee and its Compensation, Appointments and Governance Committee	86 to 88
16.4.	Statement as to whether or not the issuer complies with the corporate governance regime applicable to its country of incorporation	74

Commission regulation (EC) No 809/2004 dated April 29, 2004 – Annex I		Registration Document
No	**Subject**	**Page of the 2015 Registration Document**
17.	**Employees**	
17.1.	Number of employees at the end of the relevant historical financial period or average number of employees for each financial year during this period and breakdown by main function and location	41 to 42 and 206
17.2.	Shareholdings and stock options	110, 178 to 180, 201 to 202
17.3.	Any arrangements for involving the employees in the capital of the issuer	110
18.	**Major shareholders**	
18.1.	The name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of such interest or, if not applicable, a statement to this effect	258 *et seq.*
18.2.	Different voting rights or a statement that this does not apply	258 *et seq.*
18.3.	Indirect or direct ownership or control of the issuer	258 *et seq.*
18.4.	Arrangements known to the issuer, the operation of which could at a later date result in a change of control of the issuer	258 *et seq.*
19.	**Related party transactions**	**148**
20.	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**	
20.1.	Historical financial information	115 *et seq.*
20.2.	Pro forma financial information	n.a.
20.3.	Financial statements	123 to 185, 187 to 213
20.4.	Auditing of historical financial information	185, 212
20.4.1.	Statement that the historical financial information has been audited	185, 212
20.4.2.	Other information audited by the statutory auditors	n.a.
20.4.3.	Financial data not extracted from the issuer's audited financial statements	n.a.
20.5.	Date of the latest financial information	265
20.6.	Interim and other financial information	n.a.
20.6.1.	Quarterly and half-yearly financial information	n.a.
20.6.2.	Interim financial information covering the six first months of the financial year in progress	n.a.
20.7.	Dividend policy	260
20.7.1.	Amount of the dividend per share	260
20.8.	Legal and arbitration proceedings	30
20.9.	Significant changes in the financial or trading position	None
21.	**Additional information**	
21.1.	Share capital	252
21.1.1.	Amount of issued share capital	252
21.1.2.	Shares not representing capital	n.a.
21.1.3.	Shares in the issuer held by the issuer itself or on its behalf or by its subsidiaries	252-256
21.1.4.	Convertible or exchangeable securities or securities with warrants	257
21.1.5.	Acquisition rights and/or obligations attaching to capital authorised but not issued	n.a.
21.1.6.	Amount of capital of any member of the Group which is under option or agreed conditionally or unconditionally to be placed under option	133
21.1.7.	History of the share capital	252 to 253
21.2.	Instrument of Incorporation and Articles of Association	248
21.2.1.	Company purpose	248
21.2.2.	Members of the administrative, management and supervisory bodies	76
21.2.3.	Rights, preferences and restrictions attaching to each class of existing shares	250

Commission regulation (EC) No 809/2004 dated April 29, 2004 – Annex I		Registration Document
No	**Subject**	**Page of the 2015 Registration Document**
21.2.4.	Changes in shareholders' rights	250
21.2.5.	General Meetings of shareholders	215 *et seq.*, 249 *et seq.*
21.2.6.	Provisions of the issuer's instrument of incorporation, Articles of aAssociation, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer	251
21.2.7.	Provisions of the issuer's instrument of incorporation, Articles of Association, charter or bylaws governing the ownership threshold above which shareholder ownership must be disclosed	251
21.2.8.	Conditions imposed by the instrument of incorporation and the Articles of Association, charter or bylaws governing changes in the capital	n.a.
22.	**Material contracts**	**n.a.**
23.	**Third party information and statement by experts and declarations of any interest**	**n.a.**
23.1.	Statement or report attributed to a person acting as an expert	
23.2.	Information sourced from a third party	
24.	**Documents on display**	**265**
25.	**Information on holdings**	**182 to 183**

CROSS-REFERENCE TABLE TO THE ANNUAL FINANCIAL REPORT

This Registration Document includes all the items in the annual financial report mentioned in Article L.451-1-2 of the French Monetary and Financial Code, as well as in Article 222-3 of the AMF's General Regulations.

CROSS-REFERENCE TABLE TO THE REPORT OF THE BOARD OF DIRECTORS

This Registration Document includes all the items in the Company's Management Report required under Articles L.225-100 *et seq.*, L.232-1, II, L. 233-16, L. 233-26 and R.225-102 of the French Commercial Code.

CROSS-REFERENCE TABLE FOR CORPORATE SOCIAL RESPONSIBILITY

Environmental information (pages 58 to 68)

General policy with regard to environmental matters	Pages
Organization of the company with the aim of addressing environmental issues and any environment-related assessment or certification initiatives	58 to 63
Training and information provided to employees on environmental protection	68
Resources devoted to the prevention of environmental risks and pollution	67 to 68
Amount of the provisions and guarantees for environment-related risks, provided that this information is not liable to do serious harm to the Company in pending litigation	68
Pollution and waste management	
Prevention, reduction or compensation measures for air, water or ground emissions that seriously affect the environment	50, 55 to 56
Waste prevention, recycling and elimination measures	58 to 62, 67 to 68
Recognition of noise pollution and of any other activity-related pollution	58 to 61
Sustainability	
Water consumption and water procurement on the basis of local constraints	61
Consumption of raw materials and the measures undertaken to make more efficient use of them	59
Energy consumption, measures undertaken to improve energy efficiency and use of renewable energies	60 to 61
Land use	61
Climate change	
Greenhouse gas emissions	63 to 67
Adaptation to climate change	58 to 60
Biodiversity protection	
Measures undertaken to preserve or develop biodiversity	50

Human resources information (pages 40 to 48)

Employment	Pages
Total workforce and breakdown by sex, age and geographical region	41 to 43
Hirings and dismissals	46
Compensation and changes in compensation	47
Work organization	
Work time organization	44, 45
Absenteeism	48
Labor relations	
Organization of social dialogue, particularly the procedures for informing, consulting and negotiating with employees	48
Outcome of collective agreements	48

Employment	Pages
Health and safety	
Health and safety conditions at work	44
Report on occupational health and safety agreements signed with trade unions or employee representatives	44
Workplace accidents, including frequency and severity, as well as occupational illnesses	44
Compliance with the ILO fundamental conventions with respect to the following:	
• the right to freedom of association and collective bargaining	48
• the abolition of discrimination in employment and occupation	44 to 45
• the abolition of forced or compulsory labor	44
• the effective abolition of child labor	44
Training	
Training policy and implementation	47
Total hours of training	47
Equality in the workplace	
Measures adopted to promote equality between men and women	44 to 45
Measures adopted to promote the employment and integration of people with disabilities	44
Anti-discrimination policy	44

Society involvement (pages 49 to 57)

Territorial, economic and social impact of the Company's activity	Pages
• in terms of employment and regional development	53 to 55
• on local and neighboring communities	53 to 55
Relations with stakeholders, particularly associations promoting social inclusion, educational institutions, environmental protection associations, consumer associations, and community associations	
Conditions for dialogue with these stakeholders	54 to 57
Philanthropic or sponsorship actions	54 to 57
Subcontracting and suppliers	
Incorporation of social and environmental concerns in the procurement policy	52 to 53
Importance of subcontracting and of including social and environmental responsibility in relationships with suppliers and subcontractors	52 to 53
Fair trade practices	
Action taken to prevent any kind of corruption	49 to 50
Measures implemented to promote consumer health and safety	49 to 50
Other actions promoting human rights	
Other actions promoting human rights	52 to 53

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RR DONNELLEY

INGENICO GROUP
28/32 boulevard de Grenelle
75015 Paris – France
Tel.: +33 (0) 1 58 01 80 00
Fax: +33 (0) 1 58 01 91 35

ingenico.com
@ingenico