



## PRESS RELEASE

### INGENICO SENDS LETTER TO HYPERCOM BOARD OF DIRECTORS

NEUILLY SUR SEINE – February 11, 2008 – Ingenico today announced that in connection with its proposal to acquire Hypercom Corporation (NYSE: HYC) (“Hypercom”) for \$6.25 per share in cash, it has sent a letter today to Hypercom’s Board of Directors, urging the Board to engage in good faith discussions with Ingenico.

Philippe Lazare, Chief Executive Officer of Ingenico, said, “While we are disappointed with the progress of our discussions to date, we believe that by working cooperatively with the Hypercom Board we can reach a definitive agreement that provides certainty of closing to Hypercom shareholders. This is a compelling transaction for shareholders of both companies, and we stand ready to begin negotiations to realize this opportunity as soon as possible.”

The full text of the letter follows:

Mr. Norman Stout  
Chairman of the Board  
Hypercom Corporation  
2851 West Kathleen Road  
Phoenix, AZ 85053  
USA

February 11, 2008

Dear Norman:

As you know, we have proposed an acquisition of Hypercom at a price of \$6.25 per share in cash in accordance with the terms set forth in my letter to you dated February 5, 2008. As indicated in our letter, any definitive agreement would not be subject to a financing condition. We believe such a transaction offers compelling value for your shareholders and stand ready to move expeditiously towards a definitive agreement.

In connection with our request for customary due diligence, you have requested that we sign a confidentiality agreement. We are prepared to do so on

terms that are customary for a transaction of this type. I have attached a form of agreement we are prepared to sign.

To our dismay, the draft confidentiality agreement sent by your attorneys contains a number of highly unusual provisions and, rather than representing a good faith effort to move forward, instead creates the risk of depriving your shareholders of a very compelling transaction.

Among other things, your proposed confidentiality agreement would require us to indemnify Hypercom in connection with the breach by Francisco Partners of a pre-existing agreement with us, resulting from Francisco Partners' agreement to finance your proposed Thales transaction. Your proposed agreement would also require us to put up a \$15 million deposit for that indemnity, representing your costs and expenses relating to your proposed transaction with Thales. However, as proposed by you, our indemnity obligation could well exceed \$15 million, as it would include the expenses associated with any alternative financing that might be required as a result of Francisco Partners' breach.

We do not believe your proposed confidentiality agreement presents a reasonable good faith effort to define a path forward. If Ingenico were to sign it as presented, we could find ourselves in the position of:

- having paid a so-called "deposit" of \$15 million with respect to an obligation to indemnify you for Francisco Partners' breach of a pre-existing contractual obligation to us, and related financing costs resulting therefrom;
- leaving you free to sign a definitive agreement with Thales at any time;
- leaving you free to negotiate with other prospective bidders who would not have been required to pay the \$15 million deposit;
- having no guarantee as to the nature or quality of the due diligence you would provide;
- being subject to your right under the agreement to terminate discussions with us at any time; and
- being prohibited from making our offer directly to your shareholders.

We do not understand why your current circumstances require such an unreasonable approach to our request for due diligence. Your original arrangement with Thales permits you, consistent with your Board's fiduciary duties, to pursue a transaction with us. We would hope that any definitive agreement between you and Thales would do the same.

We were somewhat surprised by the size of the termination fee you agreed to pay in your original arrangement with Thales. A fee of \$10 million on a \$120 million transaction is well in excess of anything the Delaware courts have deemed reasonable. Nonetheless, as we indicated in our letter of February 5<sup>th</sup>, we are prepared to discuss with you the sharing of costs which you would incur if the Thales transaction were not to proceed. Our agreement to do so would be part of a definitive transaction with you – as is customary – not an "up front" entry fee for the right to perform due diligence.

We believe your Board has a fiduciary duty to explore our offer in good faith with a view to the best interest of your shareholders. Erecting obstacles to our

conducting customary due diligence in support of our very attractive offer to your shareholders is not consistent with that duty. I urge you to review the enclosed draft confidentiality agreement which we are prepared to sign, so that we may proceed without further delay.

Sincerely,

/s/ Phillipe Lazare  
Phillipe Lazare  
Chief Executive Officer

## About Ingenico

Throughout the world, businesses rely on Ingenico for secure and expedient electronic transaction acceptance. Ingenico products leverage proven technology, established standards and unparalleled ergonomics to provide optimal reliability, versatility and usability. This comprehensive range of products is complemented by a global array of services and partnerships, enabling businesses in a number of vertical sectors to accept transactions anywhere their business takes them. For more information about Ingenico, please visit: [www.ingenico.com](http://www.ingenico.com).

This communication does not constitute an offer, or the solicitation of an offer' to buy any securities or a solicitation of any vote or approval. Statements in this release that are "forward-looking statements" are based on current expectations and assumptions that are subject to risks and uncertainties. All information in this communication is as of February 8 2008. Ingenico undertakes no duty to update any forward-looking statement to conform the statement to future events or to changes in the company's expectations

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