



---

# **Update of the 2016 Registration Document**

---

## **Including the 2017 Half-year financial report**

This document is a full free translation of the original French text. In case of discrepancies, the French version shall prevail. The original document has been filed with the Autorité des Marchés Financiers (AMF) on August 3, 2017 in accordance with Article 212-13 of the AMF's general regulations, under number D.17-0407-A01. It complements the 2016 Registration Document filed with the AMF on April 28, 2017 under number R.17-032. This document has been issued by the Company and commits its signatories. It is available on the AMF website ([www.amf-france.org](http://www.amf-france.org)) and the one of the issuer ([www.worldline.com](http://www.worldline.com))

## CONTENTS

Contents .....	2
A Persons responsible.....	3
A.1 For the Update of the Registration Document.....	3
A.2 For the accuracy of the Update of the Registration Document .....	3
A.3 For the audit.....	3
B Worldline in the first semester of 2017 .....	4
B.1 Interim consolidated income statement.....	4
B.2 Other H1 2017 key figures .....	5
B.3 Key achievements .....	6
C Financials.....	9
C.1 Operational review .....	9
C.2 2017 objectives .....	21
C.3 Financial review .....	22
C.4 Interim condensed consolidated financial statements .....	27
C.5 Statutory Auditors' Review Report on the half-yearly financial information for the period from January 1 to June 30, 2017 .....	48
D Risk factors .....	49
D.1 Evolution of the TrustSeed Litigation.....	49
E Corporate governance .....	50
E.1 Office renewals .....	50
E.2 Composition of the Board of Directors.....	50
E.3 Composition of the Committees of the Board of Directors .....	50
E.4 Combined General Meetings held on 2017 .....	51
E.5 Executive compensation and shareholding.....	51
F Common stock evolution.....	56
F.1 Basic data .....	56
F.2 Share capital as at June 30, 2017 .....	57
F.3 Other Securities Giving Access to Share Capital .....	57
F.4 Shareholders' agreement .....	60
F.5 Key subsequent trading events .....	61
G Financial calendar and contacts .....	63
G.1 Financial calendar.....	63
G.2 Contacts .....	63
H Full index.....	64

## A PERSONS RESPONSIBLE

### A.1 For the Update of the Registration Document

**Gilles Grapinet**  
Chief Executive Officer

### A.2 For the accuracy of the Update of the Registration Document

I hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in the Update of the 2016 Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby declare that, to the best of my knowledge, the 2017 half-year condensed consolidated financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all the other companies included in the scope of consolidation, and that the half-year management report (here attached) presents a fair picture of significant events occurring during the first six months of the year, their impact on the financial statements, the main transactions between related parties as well as a description of the main risks and uncertainties for the remaining six months of the year.

I obtained a statement from the Statutory Auditors at the end of their engagement affirming that they have read the whole of the Update of the Registration Document and examined the information in respect of the financial position and the accounts contained herein.

Bezons, August 3, 2017

**Gilles Grapinet**  
Chief Executive Officer

### A.3 For the audit

#### Appointment and term of offices

Statutory Auditors	Substitute Auditors
<b>Deloitte &amp; Associés</b> Represented by Jean-Pierre Agazzi <ul style="list-style-type: none"> <li>Appointed on: May 26, 2016 for a term of 6 years</li> <li>Term of office expires: at the end of the AGM held to adopt the 2021 financial statements</li> </ul>	Cabinet B.E.A.S. <ul style="list-style-type: none"> <li>Appointed on: May 26, 2016 for a term of 6 years</li> <li>Term of office expires: at the end of the AGM held to adopt the 2021 financial statements</li> </ul>
<b>Grant Thornton</b> Represented by Victor Amselem <ul style="list-style-type: none"> <li>Appointed on: April 30, 2014 for a term of 6 years</li> <li>Term of office expires: at the end of the AGM held to adopt the 2019 financial statements</li> </ul>	Cabinet IGEC <ul style="list-style-type: none"> <li>Appointed on: April 30, 2014 for a term of 6 years</li> <li>Term of office expires: at the end of the AGM held to adopt the 2019 financial statements</li> </ul>

## B WORLDLINE IN THE FIRST SEMESTER OF 2017

### B.1 Interim consolidated income statement

(In € million)	<b>6 months ended 30 June 2017</b>	<b>6 months ended 30 June 2016</b>
<b>Revenue</b>	<b>778.1</b>	<b>614.8</b>
Personnel expenses	(309.1)	(254.3)
Operating expenses	(355.2)	(269.0)
<b>Operating margin</b>	<b>113.7</b>	<b>91.5</b>
<b>% of revenue</b>	<b>14.6%</b>	<b>14.9%</b>
Other operating income and expenses	(28.1)	36.3
<b>Operating income</b>	<b>85.6</b>	<b>127.8</b>
<b>% of revenue</b>	<b>11.0%</b>	<b>20.8%</b>
Financial expenses	(6.2)	(5.5)
Financial income	1.9	1.5
Net financial result	(4.3)	(3.9)
<b>Net income before tax</b>	<b>81.3</b>	<b>123.9</b>
Tax charge	(20.4)	(31.8)
<b>Net income</b>	<b>60.9</b>	<b>92.1</b>
Of which:		
- <b>attributable to owners of the parent</b>	<b>50.8</b>	<b>92.1</b>
- non-controlling interests	10.1	-

(in € and number of shares)

<b>Net income - Attributable to owners of the parent</b>		
Weighted average number of shares	132,406,976	132,008,153
<b>Basic earnings per share</b>	<b>0.38</b>	<b>0.70</b>
Diluted weighted average number of shares	133,049,179	132,406,672
<b>Diluted earnings per share</b>	<b>0.38</b>	<b>0.70</b>

## B.2 Other H1 2017 key figures

<i>In € million</i>	H1 2017 key figures		
	H1 2017	H1 2016	% Growth
<b>Revenue*</b>	<b>778.1</b>	<b>765.1</b>	<b>+1.7%</b>
<b>OMDA*</b> <i>% of revenue</i>	<b>153.5</b> 19.7%	<b>138.1</b> 18.1%	<b>+11.2%</b> +170bp
<b>Net income Group share</b> <i>% of revenue</i>	<b>50.8</b> 6.5%	<b>92.1</b> 12.0%	<b>-44.8%</b>
<b>Normalized net income Group share**</b> <i>% of revenue</i>	<b>71.9</b> 9.2%	<b>62.0</b> 8.1%	<b>+16.0%</b>
<b>Free cash flow</b>	<b>88.0</b>	<b>70.0</b>	<b>+25.7%</b>
<b>Closing net cash***</b>	<b>440.1</b>	<b>386.4</b>	<b>+13.9%</b>

\* At constant scope and June 2017 YTD average exchange rates

\*\* Adjusted on restructuring, rationalization, integration and acquisition charges, disposals, carve-out and PPA amortization, net of tax; and reflecting in H1 2016 the reclassification of equity-based compensation (IFRS2) expenses in other operating expense

\*\*\* H1 2016 adjusted to reflect the change in presentation disclosed in Note "Accounting rules and policies"

## B.3 Key achievements

**January 04, 2017**

### **Danske Bank chooses Worldline's ACS solution to secure e-commerce with 3D-Secure in Denmark, Sweden, Finland, Norway and the United Kingdom**

Worldline has been selected by Danske Bank to provide its Access Control Server solution for 3D-Secure authentication. As a major player in the Nordics, Danske Bank wants to be at the leading edge of security in e-commerce to fight fraud efficiently and provide their customers with a unified authentication experience across all channels.

**January 05, 2017**

### **Worldline and Hease Robotics signed a partnership**

Worldline has entered into a co-development relationship with Hease Robotics, a French B2B service robot manufacturer, delivering interaction-oriented robots to the retail and hospitality industries.

**January 17, 2017**

### **Launch of the WL Mobile Intrusion Protection solution**

Worldline is launching WL Mobile Intrusion Protection: a new solution to secure mobile apps on smartphones. Complying with European regulations on the protection of personal data, this solution aims to protect end users from attacks and fraud, like the hacking of sensitive data. Easy to configure, it allows users to fine-tune security policies dynamically on their smartphone, depending on the changing risks.

**January 30, 2017**

### **VALINA reinvents unattended payments**

VALINA is the first Android device that supports both low- and high-value secure transactions in line with PCI/PTS specifications. The integration of all-in-one reader, NFC technology, touch screen, and PIN pad meets the challenging and space-constrained specifications of the European Vending Association for Cashless Vending Systems (EVA-CVS).

**February 06, 2017**

### **Santander Consumer Bank and Worldline extend their partnership for payment services**

Worldline, through its equensWorldline subsidiary, and the Santander Consumer Bank S.A. in Poland, extend their partnership for new services. equensWorldline provides the technical processing for their Visa credit cards. Since 2006 the Santander Consumer Bank in Poland is customer of Worldline.

**February 21, 2017**

### **2016 annual results**

At constant scope and exchange rates, Worldline revenue stood at **€ 1,309.2 million** representing an organic growth of **+3.5%** compared with 2015. The Global Business Lines Merchant Services & Terminals and Financial Services contributed to the revenue growth, while Mobility & e-Transactional Services was impacted by the termination of two historical contracts. Excluding the impact of these contract terminations, the growth of the rest of the businesses was +8.4%.

The Group's **OMDA** improved by **+90bp**, reaching **€ 258.7 million** or 19.8% of sales.

**Net income** Group share included the profit from the disposal of the Visa Europe share for € 51.2 million and stood at **€ 144.2 million**. **Net income group share adjusted** for non-recurring expenses reached **€ 129.2 million**, which compares to € 119.9 million in 2015.

**Diluted adjusted earnings per share<sup>1</sup>** was **€ 0.98** in 2016, compared with € 0.91 in 2015 (+7.7%).

<sup>1</sup> EPS including the impacts of potentially dilutive instruments, calculated on the net result adjusted for non-recurring items, net of tax

**Free cash flow** in 2016 was **€ 140.4 million**, at the high end of the € 135 million to € 140 million target set for the year and increasing by +9.3% compared with 2015.

**Net cash** reached **€ 398.9 million**, increasing by **€+75.6 million** compared with the net cash position as at December 31, 2015. This net cash position includes the proceeds from the sale of Worldline's investment in Visa Europe for € 35.6 million and the net disbursement of € 111.0 million linked to the acquisition of Paysquare and KB Smartpay.

#### **March 13, 2017**

##### **Worldline implements extended Voucher Management System for Telefónica Germany**

Worldline has successfully extended the existing Worldline Voucher Management System (VoMS) at Telefónica Germany and enables Telefónica prepaid customers to charge their phone credit, reliably and comfortably from anywhere using vouchers.

#### **March 14, 2017**

##### **equensWorldline will process Degussa Bank's payments**

equensWorldline SE, subsidiary of Worldline, will process all payments of Degussa Bank AG, Germany, starting Q2-2017. The long-term contract constitutes a significant achievement for equensWorldline.

#### **April 06, 2017**

##### **Worldline Ranked as a Market Leader in Ovum Decision Matrix for White-Label Mobile Wallet Solution**

Worldline has been ranked market leader in the recently published "Ovum Decision Matrix: Selecting a White-Label Mobile Wallet Solution, 2016-17. Worldline's solution presents a very innovative technology that is highly configurable, API-driven, strongly focused on security and fraud prevention, and integrated with many major e-commerce PSPs. A high level of support capabilities enables clients to get the best out of the solution.

#### **April 24, 2017**

##### **First quarter 2017 revenue**

**Revenue** was **€ 374.3 million**, representing an organic growth of **+1.4 %** at constant scope and exchange rates compared to the first quarter of 2016. The Global Business Lines Merchant Services and Financial Services contributed to the revenue growth, while Mobility & e-Transactional Services was still impacted, as in H2 2016, by the termination of one historical contract in France, which occurred in June 2016 and which therefore will affect Worldline growth for the last time in Q2 this year. Excluding the comparison basis impact resulting from this contract termination, the growth rate of the rest of the businesses was +6.0%.

#### **May 12, 2017**

##### **Worldline continues to strengthen its position in Corporate Social Responsibility ratings**

Worldline's Corporate Social Responsibility (CSR) performance has been rewarded by two new ESG rating agencies: Oekom and MSCI.

#### **May 24, 2017**

##### **Worldline's Combined General Meeting**

All resolutions submitted by the Board of Directors were approved.

In particular, the General Meeting approved the Parent Company accounts and the consolidated accounts for the financial year ending December 31st, 2016, which reflect a very robust operational performance, with all the objectives for the year reached in the upper end of the guidance bracket for revenue growth, improvement of profitability as well as free cash flow generation.

During the General Meeting, the representative of the main shareholder Atos SE took the floor to indicate that a discussion about the required number of shares per Director had occurred. In that respect, an Extraordinary General Meeting shall soon be convened by the Company's Statutory Auditors in order to confirm the terms of office of the members of the Board of Directors; a specific resolution aimed at amending the Articles of Association in relation to the minimum required number of shares per Director will be submitted to the Extraordinary General Meeting.

### June 13, 2017

#### **New Sales Management System: Sales alliance of public transport operators relies on Worldline**

Worldline supplies a modern and powerful sales management system for public transport for the six largest public transport companies in the Rhein-Ruhr Transport Association. The new system supports all business processes that are associated with customer management and the sale of tickets. The result: an intermodal and central platform, with which the customer can access all offers and services involving the purchase of tickets, in a user-friendly and efficient manner. In addition to services for customers, the new system also facilitates the processing of contracts and clearing for the transport network operators.

### June 15, 2017

#### **A first on the Belgian market: Belfius incorporates Worldline technology in its mobile application for contactless payment with all types of cards, including Bancontact**

Thanks to Worldline's technology, Customers of Belfius Bank, who have the Belfius Mobile application can now make payments with their Android compatible mobile telephone by holding it close to a payment terminal equipped with contactless technology. It is the first solution available on the Belgian market that makes contactless payments possible with Bancontact, the preferred payment means of the Belgians. This innovation is bound to change radically the way consumers pay in the months and years to come.

### June 26, 2017

#### **Worldline enters agreement with Apigee**

Worldline has entered an agreement with Apigee to combine and integrate Apigee Edge Software with its services and expertise to implement digital solutions.

### June 26, 2017

#### **equensWorldline supports European Central Bank Instant Settlement initiative**

Following the decision by the Governing Council of the European Central Bank (ECB) to develop a new service for the settlement of instant payments (called "TIPS"), equensWorldline announced it will connect its European and national Instant Payments Clearing and Settlement services to TIPS from the first day TIPS is operational.

### June 28, 2017

#### **Partnership between Trinity Purchasing and Worldline brings one-stop-shop solution to the modern hotel environment**

Trinity Purchasing, an international procurement organization active in the hospitality sector, partners with e-commerce payment services and POS terminal solutions provider Worldline for an end-to-end acceptance and e-commerce solution across 16 countries. The solution will enable all hotels that are a member of Trinity Purchasing to allow their guests to pay in their own currency when they are abroad, regardless of the country in which they are staying.



## C FINANCIALS

### C.1 Operational review

#### C.1.1 Executive Summary

At constant scope and exchange rates, Worldline revenue stood at **€ 778.1 million** representing an organic growth of **+1.7 %** at the end of June 2017 compared with the first half of 2016. The Global Business Lines Merchant Services and Financial Services contributed to the revenue growth, while Mobility & e-Transactional Services was still impacted, as in H2 2016, by the termination of one historical contract in France (the "RADAR" contract), which occurred in June 2016 and therefore has affected Worldline growth for the last time during this H1 2017. Excluding the comparison basis impact resulting from this contract termination, the growth rate of the rest of the businesses was above +6%.

**Merchant Services**, which represented 34% of Worldline's revenue, grew by **+5.2%** organically and reached **€ 260.8 million**, with a significant growth acceleration during the second quarter at +8.5%.

Representing 44% of Worldline's revenue, **Financial Services** reached **€ 345.1 million**, up **+5.7%** organically. All four business divisions contributed to that growth.

Representing 22% of total revenue, **Mobility & e-Transactional Services ("MeTS")** revenue was **€ 172.2 million**, decreasing by **-9.7% organically**, as the *Trusted Digitization* (former « e-Government collection ») business line was impacted as planned and for the last semester, by the termination of the French automated traffic offence management system (the "RADAR" contract) that occurred in June 2016. Excluding that effect, the growth of MeTS would have been c.+9% in H1 2017.

**By geography**, the revenue growth was mostly driven by Emerging markets (€+23.3 million or +44.6%) reflecting in particular the strong growth of the Group's Indian operations, the Netherlands (€+11.5 million or +13.5%) thanks to projects in Issuing Processing and North & South Europe (€+4.5 million or +8.1%) with the ramp up of the contract with the OP bank. Growth in Germany/CEE was moderate (€+0.6 million or +0.5%), revenue in the UK slightly decreased (€-0.7 million or -1.3%) and despite being affected by a pricing structure adaptation in *Commercial Acquiring*, sales in Belgium were nearly stable (€-1.9 million or -1.1%). For the last semester, France (€-24.2 million or -10.9%) was impacted by the termination of the Radar contract.

**Sales through Atos** decreased by €-3.7 million (-15.0%) and reached € 21.2 million at June 2017 year-to-date.

Worldline's **Operating Margin before Depreciation and Amortization ("OMDA")** reached **€ 153.5 million**, an increase of **+170 basis points**, in line with the plan for the year.

- This improvement came mainly from **Financial Services (+580 basis points)** thanks to volume increase and the fast delivery of equensWorldline synergies.
- Profitability in **Merchant Services** slightly declined by **-50 basis points**, as the very good dynamism of the *Merchant Payment Services* business in India and the overall transaction volume growth could not completely offset the negative price/volume mix effect that was anticipated in Belgium in H1 in *Commercial Acquiring*.
- Profitability in **Mobility & e-Transactional services** declined by **-240 business points** since the Global Business Line was temporarily impacted by the substitution of revenue from a mature historical contract (RADAR) by new businesses consisting of project activities and ramping-up volumes, with a lower profitability.

The **backlog** at the end of June 2017 remained strong at **€ 2.6 billion**.

The **total number of employees** was **8,849** at the end of June 2017 compared with 8,725 at the end of December 2016, representing an increase of **+124 employees** over the first semester of 2017 (+1.4%).

Attrition rate (voluntary leavers) remained low at **5.5%**, slightly decreasing compared to last year.

### C.1.2 Statutory to constant scope and exchange rates reconciliation

The 2016 figures presented in this operational review are based on the constant scope and foreign exchange rates data.

#### C.1.2.1 Revenue

Revenue in the first semester of 2017 amounted to € 778.1 million, representing an organic change of +1.7% compared to 2016 first half revenue at constant scope and exchange rates of € 765.1 million.

Reconciliation between the first half 2016 statutory revenue and first half 2016 revenue at constant scope and foreign exchange rates, per Global Service Line and by geography, is presented below:

Revenue						
<i>In € million</i>	H1 2016 Statutory	Scope effect	Internal Transfers	Exchange rates effect	H1 2016*	H1 2017
Merchant Services	210.1	+30.7	+8.3	-1.3	247.8	260.8
Financial Services	208.1	+127.0	-8.3	-0.2	326.6	345.1
Mobility & e-Transactional Services	196.6	-0.9	-	-5.1	190.6	172.2
<b>Worldline</b>	<b>614.8</b>	<b>+156.8</b>	<b>0.0</b>	<b>-6.5</b>	<b>765.1</b>	<b>778.1</b>

\* At constant scope and June 2017 YTD average exchange rates

Revenue						
<i>In € million</i>	H1 2016 Statutory	Scope effect	Internal Transfers	Exchange rates effect	H1 2016*	H1 2017
France	222.9	-0.2	-	-	222.7	198.5
Belgium	177.4	+0.9	-	-	178.3	176.3
Germany / CEE	65.8	+47.9	-	-	113.7	114.3
Netherlands	15.4	+69.2	-	-	84.6	96.0
Emerging markets	52.6	-	-	-0.3	52.3	75.6
North & South Europe	16.1	+39.0	-	-	55.1	59.6
United Kingdom	64.7	-	-	-6.2	58.4	57.7
<b>Worldline</b>	<b>614.8</b>	<b>+156.8</b>	<b>0.0</b>	<b>-6.5</b>	<b>765.1</b>	<b>778.1</b>

\* At constant scope and June 2017 YTD average exchange rates

Scope effects refer mainly to the acquisitions of Equens, PaySquare and KB SmartPay on September 30, 2016. Hence, Equens, Paysquare and KB Smartpay revenue for the first semester of 2016 are included in the H1 2016 revenue at constant scope and exchange rates, for a like-for-like comparison with H1 2017. Internal transfers correspond to the reclassification in Merchant Services of the revenue from Worldline India previously classified in Financial Services, as this revenue relates primarily to business done directly or indirectly (through banks) with merchants. Exchange rate effects reflect mostly the depreciation of the British Pound versus the Euro.

### C.1.2.2 Operating margin before Depreciation and Amortization (OMDA)

OMDA for the first semester of 2017 amounted to € 153.5 million, representing 19.7% of revenue, an improvement of +170 basis points compared with the OMDA at constant scope and foreign exchange rates for the first half of 2016.

Reconciliation between the first half 2016 statutory OMDA and 2016 OMDA at constant scope and foreign exchange rates, per Global Service Line, is presented below:

<i>In € million</i>	OMDA				H1 2016*	H1 2017
	H1 2016 Statutory	Scope effect	Internal Transfers	Exchange rates effect		
Merchant Services	45.1	+4.0	+2.6	+0.1	51.8	53.3
Financial Services	50.8	+17.0	-2.6	+0.0	65.2	88.9
Mobility & e-Transactional Services	30.9	-0.0	-	-1.1	29.8	22.7
Corporate costs	-9.6	+0.9	-	-	-8.7	-11.3
<b>Worldline</b>	<b>117.2</b>	<b>+21.8</b>	<b>0.0</b>	<b>-0.9</b>	<b>138.1</b>	<b>153.5</b>

\* At constant scope and June 2017 YTD average exchange rates

### C.1.3 Revenue profile evolution

Worldline's H1 2017 revenue profile reflects the new scope of the Group, following the closing of the Equens, PaySquare and KB SmartPay transactions.

<i>In € million</i>	Revenue		
	H1 2017	H1 2016*	% of Total
Merchant Services	260.8	247.8	33.5%
Financial Services	345.1	326.6	44.4%
Mobility & e-Transactional Services	172.2	190.6	22.1%
<b>Worldline</b>	<b>778.1</b>	<b>765.1</b>	<b>100.0%</b>

\* At constant scope and June 2017 YTD average exchange rates

Europe remained Worldline's main operational base, generating c.90% of total revenue.

<i>In € million</i>	Revenue		
	H1 2017	H1 2016*	% of total revenue
France	198.5	222.7	25.5%
Belgium	176.3	178.3	22.7%
Germany, Central and Eastern Europe	114.3	113.7	14.7%
Netherlands	96.0	84.6	12.3%
Emerging markets	75.6	52.3	9.7%
North & South Europe	59.6	55.1	7.7%
United Kingdom	57.7	58.4	7.4%
<b>Worldline</b>	<b>778.1</b>	<b>765.1</b>	<b>100%</b>

\* At constant scope and June 2017 YTD average exchange rates

### C.1.4 Performance by Global Business Line

In € million	Revenue			OMDA		OMDA %	
	H1 2017	H1 2016*	% Growth	H1 2017	H1 2016*	H1 2017	H1 2016*
Merchant Services	260.8	247.8	+5.2%	53.3	51.8	20.4%	20.9%
Financial Services	345.1	326.6	+5.7%	88.9	65.2	25.8%	20.0%
Mobility & e-Transactional Services	172.2	190.6	-9.7%	22.7	29.8	13.2%	15.6%
Corporate Costs				-11.3	-8.7	-1.5%	-1.1%
<b>Worldline</b>	<b>778.1</b>	<b>765.1</b>	<b>+1.7%</b>	<b>153.5</b>	<b>138.1</b>	<b>19.7%</b>	<b>18.1%</b>

\* At constant scope and June 2017 YTD average exchange rates

#### C.1.4.1 Merchant Services

In € million	Merchant Services		
	H1 2017	H1 2016*	% Growth
Revenue	260.8	247.8	+5.2%
OMDA	53.3	51.8	
% OMDA	20.4%	20.9%	-50 bp

\* At constant scope and June 2017 YTD average exchange rates

**Merchant Services**, which represented 34% of Worldline's revenue, grew by **+5.2%** organically and reached **€ 260.8 million**, with a significant growth acceleration during the second quarter at +8.5%.

- The growth mainly came from *Merchant Payment Services*, which benefitted from a strong momentum in India with the demonetization impact leading to higher volumes of transactions (x2.5 versus H1 last year), a continuous volume increase and positive business trends at PaySquare and KB SmartPay. These good operational performances more than compensated the negative price/volume mix effect that was anticipated in Belgium in *Commercial Acquiring*, as the Group decided to adapt its pricing structure to retrocede the interchange fee reduction benefit to its clients.
- *Merchant Digital Services* grew as well, thanks to Private Label Cards & Loyalty services, with higher kiosks sales and project revenues with transportation companies in the UK.

**Merchant Services' OMDA** reached **€ 53.3 million** or 20.4% of revenue (**-50 basis points**). Despite the very good dynamism of *Merchant Payment Services* in India and the overall transaction volume growth, the Global Business Line was indeed impacted by the adaptation of its pricing structure to retrocede the interchange fee reduction.

### C.1.4.2 Financial Services

<i>In € million</i>	Financial Services		
	H1 2017	H1 2016*	% Growth
Revenue	345.1	326.6	+5.7%
OMDA	88.9	65.2	
% OMDA	25.8%	20.0%	+580 bp

\* At constant scope and June 2017 YTD average exchange rates

Representing 44% of Worldline's revenue, **Financial Services** reached **€ 345.1 million**, up **+5.7%** organically. All four business divisions contributed to that growth:

- Revenue in *Issuing processing* grew thanks to a high level of fraud management services in Belgium, continued strong growth in authentication services over the period (ACS, 3D Secure) and significant project work. Revenue increase was also sustained by the overall card payment transaction growth (+14%).
- *Acquiring processing* was also particularly dynamic during the period thanks to more volume and projects mainly in Italy and in France.
- *Digital banking* grew mainly thanks to continued development and good fertilization on project related activities in France.
- The business line *Accounts Payments* grew along with transaction volume growth of SEPA payment in the Netherlands and in Germany, as well as volume growth for iDeal in the Netherlands.

**Financial Services** reached an **OMDA** of **€ 88.9 million** (25.8% of revenue) representing an organic increase of **+580 basis points**, thanks to volume growth, particularly in *Acquiring and Issuing Processing*, and also to significant savings in the cost base (notably a reduction of external costs in equensWorldline), resulting from the accelerated implementation of the synergy plan that started end of last year following the integration of equensWorldline.

### C.1.4.3 Mobility & e-Transactional services

Mobility & e-Transactional Services			
<i>In € million</i>	H1 2017	H1 2016*	% Growth
Revenue	172.2	190.6	-9.7%
OMDA	22.7	29.8	
% OMDA	13.2%	15.6%	-240 bp

\* At constant scope and June 2017 YTD average exchange rates

Representing 22% of total revenue, **Mobility & e-Transactional Services ("MeTS")** revenue was **€ 172.2 million**, decreasing by **-9.7%** organically, as the Trusted Digitization (former « e-Government collection ») business line was impacted as planned and for the last semester, by the termination of the French automated traffic offence management system (the "RADAR" contract) that occurred in June 2016. Excluding that effect, the growth of MeTS would have been c.+9% in H1 2017. This performance could be achieved thanks to:

- A strong activity in *Trusted Digitization*, particularly in healthcare transactional services and tax collection activities in Latin America and in France with more revenue from various projects with government agencies;
- A robust growth in *e-Ticketing*, benefiting from a good dynamic in Latin America, thanks to higher fare collections revenue; and
- A double digit growth in *e-Consumer & Mobility* explained by a good project activity in France and in Germany.

**Mobility & e-Transactional Services OMDA** reached **€22.7 million** or 13.2% of revenue, decreasing by **-240 basis points**. Despite margin improvement in the UK (end of loss making projects in 2016) and in Latin America (higher e-Ticketing volumes and price renegotiation), the OMDA was temporarily impacted by the end of a mature contract (Radar), which was partly substituted by new business consisting of project activities and ramping-up volumes with a lower profitability.

### C.1.5 Performance by geography

<i>In € million</i>	Revenue			
	H1 2017	H1 2016*	Var	var %
France	198.5	222.7	-24.2	-10.9%
Belgium	176.3	178.3	-1.9	-1.1%
Germany / CEE	114.3	113.7	0.6	0.5%
Netherlands	96.0	84.6	11.5	13.5%
Emerging markets	75.6	52.3	23.3	44.6%
North & South Europe	59.6	55.1	4.5	8.1%
United Kingdom	57.7	58.4	-0.7	-1.3%
<b>Worldline</b>	<b>778.1</b>	<b>765.1</b>	<b>13.0</b>	<b>1.7%</b>

\* At constant scope and June 2017 exchange rates

**France** posted revenue of € 198.5 million, decreasing organically by **-10.9%**, mainly due to Mobility & e-Transactional Services, which was indeed impacted by the end, in June 2016, of the RADAR contract.

**Belgium** had revenue of € 176.3 million in H1 2017, decreasing by **-1.1%** at constant scope and exchange rates. Growth in Financial Services, driven by steady increase in transaction volumes and in fraud management services could not fully compensate the decrease in sales of Merchant Services, which was impacted by the negative price/volume mix effect that was anticipated in Commercial Acquiring and by less units of payment terminal sold.

In **Germany and CEE**, revenue amounted to € 114.3 million in H1 2017, representing an organic growth of **+0.5%**. The good growth of Merchant Services (commercial acquiring and payment terminals) was partly offset by lower volumes in Issuing Processing, as a consequence of inactive accounts cleaning activities performed by some clients.

**Netherlands** recorded revenue of € 96.0 million, growing by **+13.5%** organically. Financial Services was supported by good business trends, including significant project activity, in Issuing & Acquiring Processing and Account Payments, while Merchant Services benefitted from the double digit revenue growth of PaySquare in the Netherlands.

Revenue in **Emerging markets** was €75.6 million, up **+44.6%**, as revenue in India grew significantly thanks to the 2.5 times increase in number of transactions processed in Merchant Services, and to a double digit growth in Latin America (eTicketing and Trusted Digitization contracts) and in Asia-Pacific.

The **North and South Europe** region (Finland, Spain and Italy) recorded sales of € 59.6 million, **+8.1%** organically, thanks to strong activity in Acquiring Processing in Italy and in Private Label cards in Spain.

Finally, revenue in the **United Kingdom** reached € 57.7 million, decreasing by **-1.3%** organically as higher sales of Private Label cards and Loyalty services could not fully compensate less revenue with transport companies in e-Ticketing.

## C.1.6 Commercial activity

### C.1.6.1 Main H1 2017 signatures and achievements

#### Merchant Services

During the first quarter of 2017, an important consumer credit contract was renewed with KUTXABANK, S.A. in Spain. Worldline also extended its market position in e-acquiring, where its innovative e-Bancontact mobile payments solution has been selected by a major international player in Belgium. It is also to be noted that Worldline Poland obtained the 2016 MasterCard Data Integrity Award for Regional Compliance, which rewards the high quality of transactional and data management services of the Group.

During the second quarter of 2017, the Global Business Line renewed an important long term Private Label Cards contract with Whitbread Plc in the UK and a large contract was concluded with Arriva Rail London for the provision of ticketing digital kiosks. An end-to-end acceptance and e-commerce solution across 16 countries was sold to Trinity Purchasing, an international procurement organization active in the hospitality sector. Last, following its successful launch, Worldline's new unattended payment terminal VALINA has received its first significant orders.

During the first semester, Worldline India played a crucial role in digitalization drive by deploying a total of 415,000 net installations of terminals and QR code acceptance. As of June 2017, Worldline was managing about 740,000 POS terminals in addition to 140,000 alternative touch points (QR code, PC POS) which, beyond their short term contribution to the turn-over of the division are set to generate additional recurring revenues in the future.

#### Financial Services

Main achievements of the first quarter include the extension of the partnership with Santander Consumer Bank for payment services in Poland, which includes a real-time "instalment credit" solution. In terms of payment security, the Group launched its "Mobile Intrusion Protection" solution, aiming at protecting end users from attacks and fraud, such as the hacking of sensitive data. New payment means were successfully deployed, such as the Group Mobile P2P payment service that went live at a major Dutch bank and that paves the way for future growth in the field of peer-to-peer and instant payment services.

Several long-term strategic contracts were renewed during the second quarter, in particular with tier-1 banks in Belgium and the Netherlands (Issuing processing). Also, a major Finnish bank decided to consolidate all its issuing processing volumes with equensWorldline. In APAC a new payment licensing contract was concluded with RHB Bank Berhad and a new client was won in Indonesia for issuing Processing services (Lanka Orix Finance Plc).

Also, the Group currently enjoys a large pipeline of PSD2-related opportunities for end-to-end scalable offerings combining APIs management, developer environment, secure authentication, fraud management solution and dispute management.

equensWorldline was particularly involved during the second quarter in the deployment of new payments means or form factors:

- Belfius bank started its rollout of the HCE Mobile Payment solution based on equensWorldline technology and products, enabling the use of Maestro-, Visa- and MasterCard, but also the Belgium local scheme Bancontact with the mobile phone, allowing cardholders to use their Android mobile phone for payments.
- equensWorldline is positioned as a major actor for the adoption of instant payments. In particular, following the decision by the Governing Council of the European Central Bank (ECB) to develop a new service for the settlement of instant payments (called "TIPS"), equensWorldline announced it will connect its European and national Instant Payments Clearing and Settlement services to TIPS from the first day TIPS is operational.



Last, in terms of partnership, equensWorldline signed an agreement with Visa to join the Visa Digital Enablement Program (VDEP) and more specifically to become a VISA Issuer and Token Requestor Service Provider (TSP). This agreement enables the Group to offer its issuer clients the possibility to tokenize their Visa cards portfolio into digital wallets and use it for NFC contactless mobile payments.

## Mobility & e-Transactional Services

Key highlights of MeTS' commercial activity during the first semester were the following:

- In *e-Consumer & Mobility*, Worldline, together with Atos, will implement several "Worldline Contact" solutions, a state of the art contact center, for a global leader in medical technologies and for a Dutch insurer for its UK operations."
- In *e-Ticketing*, a contract was signed with UK's largest rail franchise, Govia Thameslink Railway, to replace the operator's current desktop Ticketing Issuing Services (TIS) with the Worldline Mobile Ticketing Service, @Station, which will provide significant advantages of a Mobile point-of-sale system. Also, the Group will sell its rail operations suite of solutions and its onboard retailing solution, enabling the new South Western Rail franchise selected to be able to operate from Day 1. Last, the contract for mobile parking payment solution developed by Worldline for the City of Vienna (Austria) was renewed
- In *Trusted Digitization*, Worldline has signed a contract with the French Ministry of Justice to design and run the future highly secured information system that will be used to manage prisoners' bracelets.

In terms of innovation, Worldline has entered an agreement with Apigee to combine and integrate Apigee Edge Software with its services and expertise to implement digital solutions. Also, financed by the European Commission, a consortium of companies & entities led by Worldline will implement a Blockchain platform for media copyright information, to enable fast micropayments of media content and to increase transparency in copyright management and monetization.

### C.1.6.2 Full backlog

**Backlog** remained high at **€ 2.6 billion**.

On the commercial side, perspectives are very positive, with some large contracts to be signed in the coming months. The volume of new business is growing in different areas. Commercial trends in Financial Services are solid, with activity around PSD2 being very intense. Merchant Services is developing new services, and our Digital Platform is generating significant interest for its versatility. MeTS shows a good dynamic, in different areas such as Transport, Identity Management, Customer Contact Management, Healthcare and Traceability.

### C.1.7 Integration and synergy plans

Regarding the integration and synergy plans of equensWorldline, the implementation speed of the program is faster than anticipated. While the Group fully confirms the objective of c.€ 40 million of OMDA run rate synergies expected in 2018, a higher benefit on the Group's run-rate OMDA of c.€ 25 million is expected in 2017 (vs. c.€ 20 million communicated previously) from that program.

## C.1.8 Human Resources

### C.1.8.1 Headcount evolution

At the end of H1 2017, Worldline employed **8,849 employees** representing an increase of **+124** employees compared with a closing of 2016 at 8,725 employees.

Headcount movements for the first semester of 2017 are detailed by nature and country here below:

#### Headcount movements for the first semester of 2017 by nature and geography

Headcount	Opening JAN-17	Reclass	Adjusted opening	Hiring	Leavers	Dismiss / Restruc	Other	Closing JUN-17	Changes	%
France	2,769		2,769	+60	-46	-5	-24	2,754	-15	-0.5%
Belgium	1,074		1,074	+28	-21	-5	-7	1,069	-5	-0.5%
Germany / CEE	1,265	-39	1,226	+69	-17	-3	-17	1,258	+32	+2.6%
Netherlands	707	-95	612	+27	-16	-3	-14	606	-6	-1.0%
Emerging markets (LATAM + Asia)	1,127		1,127	+216	-80	-9	-1	1,253	+126	+11.2%
Rest of Europe (Spain, Italy, Finland)	676	-26	650	+53	-10	-8	-3	682	+32	+4.9%
UK	514		514	+24	-22	-14	-24	478	-36	-7.0%
<b>Direct</b>	<b>8132</b>	-160	<b>7972</b>	+477	-212	-47	-90	<b>8100</b>	+128	+1.6%
<b>Indirect</b>	<b>593</b>	+160	<b>753</b>	+32	-31	-5	+0	<b>749</b>	-4	-0.5%
<b>Total (D+I)</b>	<b>8725</b>	+0	<b>8725</b>	+509	-243	-52	-90	<b>8849</b>	+124	+1.4%

2017 opening has been adjusted so as to incorporate Equens, Paysquare and KB Smartpay indirect staff. Therefore the number of Direct staff at 2016 closing decreased by -160 employees while the number of Indirect staff increased by +160 to reach 753 employees.

The other category consists in other types of leavers (including retirement, death, agreed termination, end of temporary contract, as well as changes of classification from direct to indirect and transfers from Worldline to Atos).

#### Direct headcount evolution compared with the adjusted opening:

Overall, Worldline has focused on recruiting young graduates and attracting young talents. 73% of all recruits were aged 35 or younger, and 52% were aged 30 or younger.

#### France:

Worldline France staff decreased by **-15 employees**. Recruitments amounted to 60 staff over the period. Internal redeployment has been the main lever to staff new positions for projects or within the Shared Services centers "Connected Living" in the Mobility & eTransactional Services Global Service Line and "Identity, Trust and Authentication" within Financial Services.

#### Belgium:

Worldline Belgium staff decreased by **-5 employees** during the first semester. Worldline Belgium hired 28 employees and reinforced the Customer Relations teams in "Merchant Services and Terminals" business line.

#### Germany & CEE:

Worldline Germany & CEE staff grew by **+32 employees** over the semester. +69 employees joined Germany & CEE in H1 2017.

#### Netherlands:

Worldline Netherlands staff decreased by **-6 employees** over the period.

### Emerging markets:

Worldline staff in the emerging countries increased by **+126 employees** during the first semester.

- **Asia:**

Worldline Asia increased by **+130 staff**. 204 direct employees were hired while 74 staff left the company. The increase in staff reflected the business growth in India, where 138 employees were recruited.

- **Latam:**

Worldline Latam staff slightly decreased by **-4 employees**. 12 employees joined Worldline and 16 left the company.

### Rest of Europe:

The staff in other European geographies increased by **+32 employees**. Worldline Spain, Italy and Finland hired 53 direct people while 21 employees left the company (10 resignations, 8 dismissals, 3 left for other reasons).

### UK:

Worldline UK staff decreased by **-36 employees** over the period: 24 employees joined the company while 60 left.

### Indirect headcount evolution compared with the adjusted opening:

#### Indirect:

Indirect staff decreased by **-4 employees** during the first semester. Hiring of indirect staff (32 recruits) focused on replacing leavers. 31 employees resigned, 5 were dismissed.

#### C.1.8.2 Attrition

The voluntary attrition rate (YTD) for Direct employees reached a level of **-5.3%** at the end of June 2017. Overall voluntary attrition rate was **-5.5%** for the same period, increasing from 2016 (-5.9%).

Country	Attrition
France	-3.3%
Belgium	-3.9%
Germany / CEE	-2.7%
Netherlands	-5.3%
Emerging markets (LATAM + Asia)	-13.4%
Rest of Europe (Spain, Italy, Finland)	-3.0%
UK	-8.8%
<b>Direct</b>	<b>-5.3%</b>
<b>Indirect</b>	<b>-8.4%</b>
<b>Total (D+I)</b>	<b>-5.5%</b>

#### C.1.8.3 External subcontractors

The number of external subcontractors (including onshore and offshore resources) increased from 744 FTE (full time equivalent) at the end of 2016 to **797 FTE** at the end of the first semester of 2017, which represents **8.5% of the productive FTEs** at the end of June 2017, increasing by 0.4% compared with 2016 (8.1% at the end of 2016).

The objective of the Group is to carefully monitor the level of non-critical subcontractors.

### C.1.9 M&A activity

#### Acquisition of Digital River World Payments

Worldline announced on July 17, 2017 it has entered into a definitive agreement to acquire 100 percent of the share capital of Digital River World Payment (“DRWP”), a leading online global payment service provider, from Digital River, Inc., a leading global provider of Commerce-as-a-Service solutions.

Founded in 1997 and headquartered in Stockholm, Sweden, DRWP is a subsidiary of Digital River and employs approximately 120 employees worldwide. With global payment gateway, multi-acquiring and collecting services under one roof and having generated yearly gross revenue of c. 37 million euros in 2016, DRWP delivers comprehensive online payment acceptance and optimization solutions for leading enterprise brands, spanning a variety of industries, including travel, retail, direct selling and digital goods. DRWP’s global platform and large geographical footprint support international payment schemes and currencies across 175 countries, a wide range of local payment brands and methods, and more than 40 acquiring bank connections. With its global reach, positioning as a PSP and collector, DRWP represents a perfect fit with Worldline’s existing and proven internet payment gateway, Sips.

Through the acquisition of DRWP, Worldline increases its internet payment capabilities, notably with online payment collecting services, and gain access to a client base composed of Tier 1 e-Merchants. The Group also expands its global reach to new geographies (USA, Brazil, Sweden). With this acquisition, Worldline is today in a unique position to deliver the next generation of payment services for the digital commerce market.

#### Worldline to acquire the leading payment processor in the Baltics from First Data Corporation

Worldline announce today the signature of an agreement with First Data Corporation (“FDC”) for the acquisition of 100% of the share capital of FDC’s fully owned subsidiaries in, Lithuania, Latvia, Estonia (together “First Data Baltics” or “FDB”) for c.€ 73 million, financed by available cash.

Having generated revenue of c. € 23 million in 2016, presenting a strong financial profile with EBITDA margin materially above Worldline’s EBITDA, FDB currently employs c.200 employees and is the leading financial processor in the Baltics, providing to the main Baltic banking groups and also to some banks in the wider Nordic region, a large range of outsourcing services.

Through this acquisition, Worldline gains a unique leading position in the fast-growing Baltic countries, significant development perspectives in the Baltics (n°1 in Latvia & Lithuania, n°2 in Estonia) thanks to structural electronic payments growth. Numerous synergy levers with Worldline portfolio have been identified allowing the acceleration of both revenue and profitability.

#### Worldline, jointly with Total, partners with the African payment Fintech InTouch

On July 13, 2017, Worldline and Total signed a binding technological, commercial, and financing agreement with African fintech InTouch. Worldline and Total will support the deployment acceleration of the “Guichet Unique” platform in eight African countries (Senegal, Ivory Coast, Cameroon, Burkina Faso, Guinea (Conakry), Mali, Morocco and Kenya). This solution allows merchants to aggregate payment means (e.g. mobile money, payments through private label cards, cash) and to sell third party services (subscriptions to media content, bill settlements, money transfer, cards top-up, etc.) through a unique interface. As part of the agreement, Worldline will take along with Total a minority stake in InTouch and will provide, as a first step of a broader technological agreement, a secure and industrial hosting infrastructure to enable the fast deployment of Guichet Unique.

### Disposal of the Cheque Service

As part of the regular review of its portfolio, the Group has decided to sell its Cheque Services business in France through a management buy-out, as there were low synergies with the other activities of Worldline and as this business was dilutive to the Group's growth and profitability. This activity generated revenue of less than €20 million and was dilutive to the Group's OMDA margin in 2016.

This transaction, which is supported by Cheque Service employees, will allow Cheque Service to pursue its commercial expansion in France.

## **C.2 2017 objectives**

The Group raises all the objectives for 2017 that were previously stated in the February 21, 2017 press release.

These objectives below do not include any contribution from Digital River World Payments and First Data Baltics and will be updated after the closing of these transactions to take into consideration their contribution after closing.

### **Revenue**

The Group expects to achieve organic growth of its revenue, at constant scope and exchange rates **between 3.5% and 4.0%**

### **OMDA**

The Group targets an OMDA margin **above 20.5%**.

### **Free cash flow**

The group has the ambition to generate a free cash flow **above € 170 million**, including c. € 20 million of synergy implementation costs.

## C.3 Financial review

In this financial review, the financial statements as of and for the period ended June 2017 are compared with statutory data for the similar period in 2016 which do not include the contribution of Equens, Paysquare and KB SmartPay that were consolidated from October 1<sup>st</sup> 2016.

### C.3.1 Income statement

The Group reported a net income (attributable to owners of the parent) of € 50.8 million for the half year 2017 which represented 6.5% of Group revenue of the period. The normalized net income before unusual and infrequent items (net of tax) for the period was € 71.9 million, representing 9.2% of revenue.

#### C.3.1.1 Operating Margin

(In € million)	6 months ended 30 June 2017		6 months ended 30 June 2016	
	€	% Margin	€	% Margin
<b>Operating margin</b>	<b>113.7</b>	<b>14.6%</b>	<b>91.5</b>	<b>14.9%</b>
Other operating income/(expenses)	(28.1)		36.3	
<b>Operating income</b>	<b>85.6</b>	<b>11.0%</b>	<b>127.8</b>	<b>20.8%</b>
Net financial income/(expenses)	(4.3)		(3.9)	
Tax charge	(20.4)		(31.8)	
Non-controlling interests and associates	(10.1)		-	
<b>Net income – Attributable to owners of the parent</b>	<b>50.8</b>	<b>6.5%</b>	<b>92.1</b>	<b>15.0%</b>
<b>Normalized net income – Attributable to owners of the parent (*)</b>	<b>71.9</b>	<b>9.2%</b>	<b>62.0</b>	<b>10.1%</b>

(\*) Defined hereafter.

#### C.3.1.2 Operating margin before depreciation and amortization

Operating margin before depreciation and amortization (OMDA) represents the underlying operational performance of the current business and is analyzed in the operational review.

(In € million)	6 months ended 30 June 2017		6 months ended 30 June 2016		Variation
	€	%	€	%	€
<b>Operating margin</b>	<b>113.7</b>		<b>91.5</b>		<b>22.2</b>
+ Depreciation of fixed assets	44.1		25.1		19.0
+ Net book value of assets sold/written off	0.3		0.6		(0.3)
+/- Net charge/(release) of pension provisions	(4.8)		1.7		(6.5)
+/- Net charge/(release) of provisions	0.3		(1.6)		1.9
<b>OMDA</b>	<b>153.5</b>		<b>117.2</b>		<b>36.3</b>

### C.3.1.3 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual and infrequent. They represent a net expense of € 28.1 million for the six-month period ended June 2017. The following table presents this amount by nature:

(In € million)	<b>6 months ended 30 June 2017</b>	<b>6 months ended 30 June 2016</b>
Staff reorganization	(4.2)	(2.8)
Rationalization and associated costs	(1.2)	(2.0)
Integration and acquisition costs	(7.4)	(2.8)
Equity based compensation	(3.0)	(3.4)
Customer relationships and patents amortization	(6.9)	(1.7)
Other items	(5.4)	49.0
<b>Total</b>	<b>(28.1)</b>	<b>36.3</b>

**Staff reorganization** expenses of € 4.2 million increased by € 1.4 million compared to last year and correspond mainly to the restructuring costs induced following the acquisition of Equens and Paysquare.

The € 1.2 million of **rationalization and associated costs** resulted mainly from external costs linked to the continuation and extension to the new scope of the TEAM program. Those costs have decreased by € 0.8 million compared to the first half of 2016.

**Integration and acquisition costs** reached € 7.4 million (increase of € +4.6 million compared to the prior period) and correspond to the costs related to the execution of the Equens and Paysquare post-acquisition integration.

The six-month 2017 **customer relationships amortization** of € 6.9 million corresponds to:

- € 0.5 million related to the portion of the consideration paid allocated to the value of the customer relationships and backlog brought by Quality Equipment and Siemens IT Solutions & Services;
- € 5.0 million of Equens and Paysquare customer relationships;
- € 1.4 million of Cataps (KB Smartpay) customer relationships.

In June 2016, the other items included the gain on the Visa Share disposal for € 51.2 million.

### C.3.1.4 Net financial expense

Net financial expense amounted to € 4.3 million for the period and was composed of a net cost of financial debt of € 0.4 million and non-operational financial costs of € 3.9 million.

The net cost of financial debt amounted to € 0.4 million in the first semester 2017 compared to € 0.1 million in the first semester 2016.

The other financial income / expenses were mainly composed of foreign exchange losses for € 2.5 million and pension financial costs for € 1.0 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and interest income on plan assets for plans which are funded (Cf. Note 16 "Pensions and similar benefits").

### C.3.1.5 Corporate tax

The tax charge for the six-month period ended June 30, 2017 was € 20.4 million with a profit before tax of € 81.3 million. The annualized Effective Tax Rate (ETR) of 25.5% adjusted for tax discrete items leads to an ETR of 25.1%.

### C.3.1.6 Normalized net income

The normalized net income excluding unusual and infrequent items (net of tax) is € 71.9 million.

(In € million)	6 months ended 30 June 2017	6 months ended 30 June 2016
<b>Net income - Attributable to owners of the parent</b>	<b>50.8</b>	<b>92.1</b>
Other operating income and expenses	(28.1)	36.3
Tax impact on unusual items	7.0	(6.2)
<b>Total unusual items – Net of tax</b>	<b>(21.1)</b>	<b>30.1</b>
<b>Normalized net income - Attributable to owners of the parent</b>	<b>71.9</b>	<b>62.0</b>

### C.3.1.7 Half year Earning Per Share

The number of shares as at January 1, 2017 was 132,346,996. The weighted average number of shares amounts to 132,406,976 for the period. As of end of June 2017, potential dilutive instruments comprised stock subscription (equivalent to 642,203 options).

(In € million)	6 months ended 30 June 2017	% Margin	6 months ended 30 June 2016	% Margin
<b>Net income [a]</b>	<b>50.8</b>	<b>6.5%</b>	<b>92.1</b>	<b>15.0%</b>
Normalized net income [b]	<b>71.9</b>	<b>9.2%</b>	<b>62.0</b>	<b>10.1%</b>
Average number of shares [c]	132 406 976		132 008 153	
Impact of dilutive instruments	642 203		398 519	
Diluted average number of shares [d]	133 049 179		132 406 672	
(In EUR)				
<b>Basic EPS [a] / [c]</b>	<b>0.38</b>		<b>0.70</b>	
<b>Diluted EPS [a] / [d]</b>	<b>0.38</b>		<b>0.70</b>	
<b>Normalized basic EPS [b] / [c]</b>	<b>0.54</b>		<b>0.47</b>	
<b>Normalized diluted EPS [b] / [d]</b>	<b>0.54</b>		<b>0.47</b>	



### C.3.2 Cash Flow

(In € million)	6 months ended 30 June 2017	6 months ended 30 June 2016
<b>Operating Margin before Depreciation and Amortization (OMDA)</b>	<b>153,5</b>	<b>117,2</b>
Capital expenditures	(50,6)	(40,8)
Change in working capital requirement	24,1	23,4
<b>Cash from operation (CFO)</b>	<b>127,0</b>	<b>99,8</b>
Taxes paid	(16,6)	(17,6)
Net cost of financial debt paid	(0,4)	(0,1)
Reorganization in other operating income	(3,5)	(3,5)
Rationalization & associated costs in other operating income	(1,0)	(1,8)
Integration and acquisition costs	(7,0)	(0,7)
Net financial investments (*)	(0,6)	(0,9)
Other changes (**)	(9,8)	(5,3)
<b>Free Cash Flow</b>	<b>88,0</b>	<b>70,0</b>
Net material (acquisitions)/disposals	0,7	-
Capital increase/(decrease)	5,5	4,0
Proceed from the disposal of the Visa Share	-	35,6
<b>Change in net cash/(debt)</b>	<b>94,2</b>	<b>109,6</b>
<b>Opening net cash/(debt)</b>	<b>347,7</b>	<b>276,0</b>
Change in net cash/(debt)	94,2	109,6
Foreign exchange rate fluctuation on net cash/(debt)	(1,8)	0,8
<b>Closing net cash/(debt)</b>	<b>440,1</b>	<b>386,4</b>

Note: Figures have been restated from change in Worldline's intermediation activities presentation (effect of €-47m on H1 2016 opening net cash, €-1m on H1 2016 FCF, and €-51m on H1 2017 opening net cash) detailed in "Accounting rules and policies".

(\*) Net Long term financial investments

(\*\*) "Other changes" include other operating income with cash impact (excluding reorganization, rationalization and associated costs, integration costs and acquisition costs), dividends paid to non-controlling interests, and other financial items with cash impact.

Free cash flow represented by the change in net cash or net debt, excluding equity changes, disposal of Visa Share, impact of foreign exchange rate fluctuation on opening net cash balance, and net acquisitions and disposals, reached € 88.0 million compared to € 70.0 million in 2016 corresponding to an increase of + 25.8%.

**Cash From Operations** amounted to € 127.0 million and increased by € 27.2 million compared to last year, including the following items:

- OMDA (€+36.3 million),
- Higher capital expenditures (€-9.8 million),
- Higher improvement in change in working capital requirement (€+0.7 million).

**OMDA** of € 153.5 million, representing an increase of €+36.3 million compared to June 2016, reached 19.7% of revenue versus 19.1% of revenue in June 2016.

**Capital expenditures** amounted to € 50.6 million or 6.5% of revenue slightly below the level of the first semester of 2016 at 6.6%. They mainly relate to investments in software platforms through capitalized cost, in connection with the modernization of proprietary technological platforms for € 18.1 million.

The positive **change in working capital requirement** was € 24.1 million. The DSO ratio reached 42 days at the end of June 2017, while the DPO was 87 days.

Cash out related to **taxes paid** reached € 16.6 million decreasing by € 1.0 million compared to June 2016.

Net outflow related to **cost of net debt** of € 0.4 million increased by € 0.3 million compared to the first semester 2016.

Cash outflow linked to **reorganization costs** represented € 3.5 million.

**Integration costs** linked to the post-acquisition integration costs realized in 2017 reached € 7.0 million.

**Net financial investments** amounted to € 0.6 million and related mainly to investments in non-consolidated companies.

**Other changes** of € 9.8 million corresponded to:

- Foreign exchange losses and other financials costs for € 2.8 million;
- Other non-recurring items for € 7.0 million.

As a result, the **Free Cash Flow (FCF)** generated in the first semester 2017 was € 88.0 million.

In June 2017, the € 5.5 million **Capital increase** corresponded to the issuance of common stock following employee's exercise of stock options issued in September 2014 and September 2015.

In June 2016 the **Proceeds from disposal of the Visa Share** of € 35.6 million were related to the cash impact of the Visa share disposal in Belgium.

**Foreign exchange rate fluctuation** which is determined on debt or cash exposure by country had a negative impact on net cash of € -1.8 million.

### C.3.2.1 Financing policy

#### Financing structure

Worldline's expected liquidity requirements are currently fully covered by the positive cash position and if needed, would be financed by long-term committed loans or other appropriate long-term financial instruments.

In this respect, on 26 June 2014, Worldline SA (as Borrower) signed a Revolving Credit Facility (RCF) with Atos SE (as Lender) for an amount € 300 million, in order to cover the Group's liquidity requirements, including temporary fluctuations in its working capital needs, that was renewed on November 2nd, 2015 and transferred to Bull International (subsidiary of the Atos group) on January 2, 2016. The RCF has a duration until June 26th, 2019, is concluded at customary market conditions and contains no financial covenants.

#### Investment policy

Worldline has a policy to lease its office space and other real estate assets either administrative or technical. Some other fixed assets such as IT equipment and company cars may be financed through leases depending on the cost of funding and on the most appropriate type of financing for each new investment.

### C.3.3 Parent company results

The income before tax of the parent company amounts to € -16.0 million for the first half of 2017, compared to € -3.8 million for the first semester 2016.

## C.4 Interim condensed consolidated financial statements

### C.4.1 Interim condensed consolidated income statement

(In € million)		<b>6 months ended 30 June 2017</b>	<b>6 months ended 30 June 2016</b>
<b>Revenue</b>	<b>Note 2</b>	<b>778.1</b>	<b>614.8</b>
Personnel expenses	Note 3	(309.1)	(254.3)
Operating expenses	Note 4	(355.2)	(269.0)
<b>Operating margin % of revenue</b>		<b>113.7 14.6%</b>	<b>91.5 14.9%</b>
Other operating income and expenses	Note 5	(28.1)	36.3
<b>Operating income % of revenue</b>		<b>85.6 11.0%</b>	<b>127.8 20.8%</b>
Financial expenses		(6.2)	(5.5)
Financial income		1.9	1.5
Net financial result	Note 6	(4.3)	(3.9)
<b>Net income before tax</b>		<b>81.3</b>	<b>123.9</b>
Tax charge	Note 7	(20.4)	(31.8)
<b>Net income</b>		<b>60.9</b>	<b>92.1</b>
Of which:			
- attributable to owners of the parent		50.8	92.1
- non-controlling interests		10.1	-
(in € and number of shares)			
<b>Net income - Attributable to owners of the parent</b>			
Weighted average number of shares		132 406 976	132 008 153
<b>Basic earnings per share</b>	<b>Note 8</b>	<b>0.38</b>	<b>0.70</b>
Diluted weighted average number of shares		133 049 179	132 406 672
<b>Diluted earnings per share</b>	<b>Note 8</b>	<b>0.38</b>	<b>0.70</b>

## C.4.2 Interim condensed consolidated statement of comprehensive income

(In € million)	6 months ended 30 June 2017	6 months ended 30 June 2016
<b>Net income</b>	<b>60.9</b>	<b>92.1</b>
<b>Other comprehensive income</b>		
<b>- to be reclassified subsequently to profit or loss</b>	<b>(2.9)</b>	<b>(52.2)</b>
Cash flow hedging	(0.1)	0.1
Change in fair value of available for sale financial assets	1.4	(45.2)
Exchange differences on translation of foreign operations	(4.2)	(7.2)
Deferred tax on items recyclable recognized directly in equity	-	0.2
<b>- not reclassified to profit or loss (non-recyclable):</b>	<b>1.7</b>	<b>(14.1)</b>
Actuarial gains and losses generated in the period on defined benefit plan	2.0	(19.9)
Deferred tax on non-recyclable items recognized directly	(0.3)	5.8
<b>Total other comprehensive income</b>	<b>(1.3)</b>	<b>(66.3)</b>
<b>Total comprehensive income for the period</b>	<b>59.6</b>	<b>25.8</b>
Of which:		
<b>- attributable to owners of the parent</b>	<b>49.5</b>	<b>25.8</b>
- non-controlling interests	10.1	-

### C.4.3 Interim condensed consolidated statements of financial position

(In € million)		30 June 2017	31 December 2016 (*)
<b>ASSETS</b>			
Goodwill	Note 9	809.7	766.4
Intangible assets	Note 10	295.9	312.2
Tangible assets		115.2	103.8
Non-current financial assets	Note 11	28.6	27.8
Deferred tax assets		51.7	45.3
<b>Total non-current assets</b>		<b>1 301.1</b>	<b>1 255.4</b>
Trade accounts and notes receivables	Note 12	290.8	294.9
Current taxes		8.8	6.7
Other current assets	Note 13	137.4	129.0
Assets linked to intermediation activities		148.2	249.6
Current financial instruments		0.2	0.3
Cash and cash equivalents	Note 14	481.0	374.0
<b>Total current assets</b>		<b>1 066.4</b>	<b>1 054.5</b>
<b>Total assets</b>		<b>2 367.5</b>	<b>2 309.9</b>

(In € million)		30 June 2017	31 December 2016 (*)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Common stock		90.2	90.0
Additional paid-in capital		254.0	248.7
Consolidated retained earnings		839.6	675.0
Translation adjustments		(30.9)	(26.7)
Net income attributable to the owners of the parent		50.8	144.2
Equity attributable to the owners of the parent		1 203.7	1 131.1
Non-controlling interests		154.8	160.9
<b>Total shareholders' equity</b>		<b>1 358.5</b>	<b>1 292.0</b>
Provisions for pensions and similar benefits	Note 16	119.9	131.6
Non-current provisions		9.3	8.0
Borrowings		10.0	2.2
Deferred tax liabilities		48.6	47.2
Other non-current liabilities		0.4	0.4
<b>Total non-current liabilities</b>		<b>188.2</b>	<b>189.5</b>
Trade accounts and notes payables	Note 17	259.2	223.7
Current taxes		47.1	37.5
Current provisions		23.1	22.4
Current financial instruments		0.1	0.1
Current portion of borrowings		30.6	24.1
Liabilities linked to intermediation activities		148.2	249.6
Other current liabilities	Note 18	312.5	271.1
<b>Total current liabilities</b>		<b>820.8</b>	<b>828.5</b>
<b>Total liabilities and shareholders' equity</b>		<b>2 367.5</b>	<b>2 309.9</b>

(\*) 31 December 2016 adjusted to reflect change in presentation disclosed in Note "Accounting rules and policies"

#### C.4.4 Interim condensed consolidated cash flow statement

(In € million)		<b>6 months ended 30 June 2017</b>	<b>6 months ended 30 June 2016 (* )</b>
<b>Profit before tax</b>		<b>81.3</b>	<b>123.9</b>
Depreciation of assets	Note 4	44.1	25.1
Net charge / (release) to operating provisions		(4.5)	0.1
Net charge / (release) to financial provisions		1.0	0.9
Net charge / (release) to other operating provisions		1.0	1.6
Customer relationships & Patent amortization		6.9	1.7
Losses / (gains) on disposals of fixed assets		(1.2)	(50.7)
Net charge for equity-based compensation		3.1	3.4
Losses / (gains) on financial instruments		(0.1)	(0.2)
Net cost of financial debt	Note 6	0.4	0.1
<b>Cash from operating activities before change in working capital requirement, financial interest and taxes</b>		<b>132.0</b>	<b>105.9</b>
Taxes paid		(16.6)	(17.6)
Change in working capital requirement		24.1	23.4
<b>Net cash from / (used in) operating activities</b>		<b>139.5</b>	<b>111.7</b>
Payment for tangible and intangible assets		(50.6)	(40.7)
Proceeds from disposals of tangible and intangible assets		0.1	-
<b>Net operating investments</b>		<b>(50.5)</b>	<b>(40.7)</b>
Amounts paid for acquisitions and long-term investments		(1.8)	(1.1)
Proceeds from disposals of financial investments		2.1	35.8
Cash and cash equivalents of companies sold during the period		(0.2)	-
<b>Net long-term investments</b>		<b>0.1</b>	<b>34.7</b>
<b>Net cash from / (used in) investing activities</b>		<b>(50.4)</b>	<b>(6.0)</b>
Common stock issues on the exercise of equity-based compensation		5.5	0.9
Capital increase subscribed by non-controlling interests		-	3.1
New borrowings		3.3	0.2
New finance lease		-	0.1
Repayment of long and medium-term borrowings		(1.0)	(0.1)
Net cost of financial debt paid		(0.4)	(0.1)
<b>Net cash from / (used in) financing activities</b>		<b>7.5</b>	<b>4.1</b>
<b>Increase / (decrease) in net cash and cash equivalents</b>		<b>96.5</b>	<b>109.8</b>
<b>Opening net cash and cash equivalents</b>		<b>357.0</b>	<b>277.9</b>
Increase / (decrease) in net cash and cash equivalents		96.5	109.8
Impact of exchange rate fluctuations on cash and cash equivalents		(1.8)	0.7
<b>Closing net cash and cash equivalents</b>	<b>Note 14</b>	<b>451.7</b>	<b>388.4</b>

(\* ) 30 June 2016 adjusted to reflect change in presentation disclosed in Note "Accounting rules and policies"

### C.4.5 Interim condensed consolidated statement of changes in shareholder's equity

(In € million)	Number of shares at period-end (thousands)	Common Stock	Additional paid-in capital	Retained earnings			Net income	Equity attributable to the owners of the parent	Non controlling interests	Total shareholders' equity
				Retained earnings	Business combination impact	Translation adjustments				
<b>At January 1<sup>st</sup>, 2016</b>	<b>131 926</b>	<b>89.7</b>	<b>241.5</b>	<b>581.1</b>	<b>(200.8)</b>	<b>(26.2)</b>	<b>103.4</b>	<b>788.7</b>	<b>-</b>	<b>788.7</b>
* Change in Share nominal value								-		-
* Common stock issued	216	0.2	3.8					4.0		4.0
* Appropriation of prior period net income				103.4			(103.4)	-		-
* Equity-based compensation				3.4				3.4		3.4
Transactions with owners	216.00	0.20	3.80	106.8	-	-	(103.4)	7.4	-	7.4
* Net income							92.1	92.1		92.1
* Other comprehensive income				(59.1)		(7.2)		(66.3)		(66.3)
Total comprehensive income for the period				(59.1)		(7.2)	92.1	25.8	-	25.8
<b>At June 30<sup>th</sup>, 2016</b>	<b>132 142</b>	<b>89.9</b>	<b>245.3</b>	<b>628.8</b>	<b>(200.8)</b>	<b>(33.4)</b>	<b>92.1</b>	<b>821.9</b>	<b>-</b>	<b>821.9</b>
* Change in Share nominal value								-		-
* Common stock issued	205	0.1	3.4					3.5		3.5
* Equity-based compensation				3.4				3.4		3.4
* Scope Changes					246.8			246.8	153.5	400.3
* Other								0.0		0.0
Transactions with owners	205.00	0.10	3.40	3.4	246.81	-	-	253.7	153.5	407.2
* Net income							52.1	52.1	6.2	58.3
* Other comprehensive income				(3.2)		6.7		3.4	1.2	4.6
Total comprehensive income for the period				(3.2)	-	6.7	52.1	55.5	7.4	62.9
<b>At December 31<sup>st</sup>, 2016</b>	<b>132 347</b>	<b>90.0</b>	<b>248.7</b>	<b>629.0</b>	<b>46.0</b>	<b>-26.7</b>	<b>144.2</b>	<b>1 131.1</b>	<b>160.9</b>	<b>1 292.0</b>
* Common stock issued	289	0.2	5.3					5.5		5.5
* Appropriation of prior period net income				144.2			(144.2)	-		-
* Dividends paid to the shareholders								-	(1.7)	(1.7)
* Equity-based compensation				3.1				3.1		3.1
* Scope Changes					14.5			14.5	(14.5)	-
Transactions with owners	289	0.2	5.3	147.2	14.5	-	(144.2)	23.1	(16.2)	6.9
* Net income							50.8	50.8	10.1	60.9
* Other comprehensive income				2.9		(4.2)		(1.3)		(1.3)
Total comprehensive income for the period				2.9	-	(4.2)	50.8	49.5	10.1	59.6
<b>At June 30<sup>th</sup>, 2017</b>	<b>132 636</b>	<b>90.2</b>	<b>254.0</b>	<b>779.1</b>	<b>60.5</b>	<b>(30.9)</b>	<b>50.8</b>	<b>1 203.7</b>	<b>154.8</b>	<b>1 358.5</b>

## C.4.6 Appendices to the interim condensed consolidated financial statements

### C.4.6.1 General information

Worldline SA, the Worldline Group's parent company, is a public limited company under French law whose registered office is located at 80, Quai Voltaire, 95870 Bezons, France. The company is registered with the Registry of Commerce and Companies of Pontoise under the reference 378 901 946 RCS Pontoise. Worldline SA shares are traded on the Euronext Paris market under ISIN code FR0011981968. The shares are not listed on any other stock exchange and Worldline SA is the only listed company in the Group. The company is administrated by a board of directors.

Worldline is a European leader and a global market player in the electronic payment and transactional services sector. Worldline activities are organized around three axes: Merchant Services & Terminals, Financial Services and Mobility & e-Transactional Services.

Worldline SA is majority-owned by Atos SE, its parent company, whose shares are traded on the Euronext Paris market, under ISIN Code FR0000051732.

These interim condensed consolidated financial statements were approved by the Board of Directors on July 24<sup>th</sup>, 2017.

### C.4.6.2 Accounting rules and policies

#### **Basis of preparation of interim condensed consolidated financial statements**

The 2017 condensed interim consolidated financial statements have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union and of mandatory application as at January 1st, 2017.

The international standards comprise the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The condensed interim consolidated financial statements for the six-month period ended June 30, 2017 have been prepared in accordance with IAS 34 - Interim Financial Reporting. As such these financial statements do not include all the information required for annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2016.

The accounting policies, presentation and methods of computation that have been followed in these interim consolidated financial statements are in line with those that were applied in the preparation of the December 31, 2016 financial statements and disclosed in the Group's 2016 Reference Document.

The new standards, interpretations or amendments whose application was mandatory for the Group effective for the fiscal year beginning January 1st, 2017 did not have a material impact on the condensed interim financial statements.

The Group has not early adopted any standard or interpretation not required to be applied in fiscal year 2017. The Group does not apply IFRS standards and interpretations that have not been yet approved by the European Union at the closing date.

These consolidated financial statements are presented in euro, which is the Group's functional currency. All figures are presented in € millions with one decimal.



## Expected impacts of IFRS 15 implementation as of January 1<sup>st</sup> 2018

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programs. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

Worldline is assessing the impacts on its consolidated financial statements resulting from the application of IFRS 15.

### Accounting estimates and judgments

In addition to the accounting principles as disclosed in the annual accounts, the following accounting principles are relevant for the interim accounts:

#### Goodwill impairment tests

Goodwill is subject to an impairment test performed at least annually by comparing its carrying amount to its recoverable amount at the closing date based on December actuals and latest 3 year plan, or more often whenever events or circumstances indicate that the carrying amount could not be recoverable.

During the interim period, goodwill and assets that are subject to amortization are tested for impairment whenever events or circumstances indicate that the carrying amount could not be recoverable. If necessary, an impairment loss is recognized for the amount by which the asset's carrying value exceeds its recoverable value.

Such events and circumstances include but are not limited to:

- significant deviance of economic performance of the asset when compared with budget;
- significant worsening of the asset's economic environment;
- loss of a major client;
- significant increase in interest rates.

#### Pensions and similar benefits

The re-measurement principle for pension liabilities and assets at interim periods is the following: actuarial re-measurements are only triggered if there are significant changes in the discount rate since December 31, 2016, and limited to the Group's most significant pension plans. For less significant plans or if there are no significant evolutions in discount rates, actuarial projections are used.

Benefit plans costs are recognized in the Group's operating income, except for interest on the net defined benefit liability, which is recognized in "other financial income and expenses".

#### Corporate income tax

The income tax charge includes current and deferred tax expenses.

For the purposes of the interim condensed consolidated financial statements, consolidated income tax expense is determined by applying the estimated effective tax rate for the full year to the "half-year net income before tax". The estimated effective tax rate for the full-year is determined on the basis of forecasted current and deferred tax expense for the year in the light of full-year earnings projections.

## Intermediation activities of Worldline

Acquiring is part of the business of Worldline consisting in contracting with merchants for payment card acceptance. The key role an acquirer is to transfer to the merchant's bank account the funds received in a card transaction from the cardholder's issuing bank.

Through this intermediation activity, Worldline and its affiliates are facing cash fluctuations due to the lag that may exist between the payment to the merchants and the receipt of the funds from the payment schemes (Visa, MasterCard or other schemes). Payment Schemes also define interchange fees that apply except if there is a bilateral agreement between the Acquirer and the Issuer. Worldline has no such bilateral agreement with the Issuers. Interchange fees are consequently completely driven by the rates defined by the Schemes.

In the past, the Group had elected to net the assets and liabilities related to its intermediation activities (funds received in advance and payables to merchants). With respect to interchange fees collected from merchants, the Group used to consider them as a cash item and to recognize a liability for the corresponding payments to be made to the issuers. Interchange fees positions were not netted.

In recent years, the Group completed several acquisitions in the "Commercial Acquiring" business and witnessed that in some instances the time lag of intermediation flows was not as short as that experienced by the Group in the past. In addition, the Group noted that the de-netted presentation of the flows had become a common practice among larger acquiring listed players publishing their Financial Statements in IFRS or US Gaap.

In order to take into account the new variety of its acquiring activities and allow for a better comparability of its financial statements with its main peers, the Group decided to stop netting and to change the presentation of its balance sheet by isolating in dedicated lines assets and liabilities related to its intermediation activities (including interchange fees for consistency purposes). The Group believes that this change provides reliable and more relevant information about effects of acquiring transactions on Worldline consolidated financial position. This change has been applied retrospectively and Worldline has restated its opening statement of financial position accordingly presenting those intermediation positions in current assets and current liabilities.

The effects of the change of presentation on the cash are: €-47 million on H1 2016 opening net cash, €-1 million on H1 2016 free cash flow, and €-51 million on H1 2017 opening net cash.

## C.4.7 Notes to the consolidated financial statements

### Note 1 Changes in the scope of consolidation

#### **Equens - Paysquare**

On September 30, 2016, Worldline acquired a 63.6% interest in equensWorldline and a 100% interest in Paysquare.

The business combination was made up of two components:

#### **1/ equensWorldline**

The merger of the Financial Services Business of Worldline with Equens resulted in the creation of equensWorldline held at 63.6% by Worldline and 36.4% by Equens' previous shareholders.

In accordance with IFRS 3, this operation has been treated as a business combination with the takeover of equensWorldline by the Group and the sale to the previous shareholders of Equens of a Non-controlling interest in the Financial Services Business. equensWorldline is controlled by the Worldline Group and fully consolidated within Worldline Group since October 1, 2016. The company equensWorldline is consolidated within the Group's Financial Services division ("FS") since October 1, 2016.

As the transaction is non cash, the consideration transferred by the Group to the previous shareholders of Equens corresponds to 36.4% of the fair value of the Financial Services Business (on the basis of a valuation of € 700 million by an independent expert for the full business) and to the counterpart received by the Group of 63.6% of the fair value of Equens (on the basis of a valuation of € 400.3 million by an independent expert for the full business).

The net assets and liabilities acquired from Equens have been booked at fair value in the Group consolidated financial statements. The net assets and liabilities of the Financial Services Business are kept at their net book value before business combination as well as the part transferred to the previous Equens' Shareholders for € 7.8 million. The impacts as at December 31<sup>th</sup>, 2016 of the Business combination in the equity of the group are as follows:

(in € million)	<b>Financial Services transferred to non controlling interests</b>	<b>Consideration transferred for the takeover of Equens</b>	<b>Total</b>
Group share	(7.8)	254.6	246.8
Non controlling interests	7.8	145.7	153.5
<b>Total shareholder's equity</b>	-	<b>400.3</b>	<b>400.3</b>

#### **2/ Paysquare**

As of September 30, 2016, Worldline acquired from Equens its commercial acquiring subsidiary Paysquare for a cash consideration paid of € 113.2 million. Paysquare is fully consolidated in Worldline Group since October 1, 2016. Paysquare is consolidated in the Group's Merchant Services & Terminal division ("MS&T") since October 1, 2016.

The fair value of Equens and Paysquare net assets acquired are set out in the table below:

(in € million)	<b>Assets acquired and liability assumed at the end of the measurement period</b>
Fixed assets	174.6
Net debt	36.6
Provisions	(54.4)
Other net assets	(44.2)
<b>Fair value of acquisition</b>	<b>112.6</b>

Identifiable assets acquired and liabilities assumed have been further analyzed during the first half of 2017 based on the better understanding of Equens-Paysquare acquired business. This analysis led to a decrease by € 35.2 million of the equity acquired mainly due to impairment of technological assets and recognition of a provision for an onerous contract, all originating prior to September 30, 2016.

### **Preliminary Goodwill**

Goodwill recognized as a result of the acquisition is detailed as follows:

(in € million)	<b>Preliminary Goodwill</b>
Consideration transferred for Equens	254.6
Consideration transferred for Paysquare	113.2
<b>Total consideration</b>	<b>367.8</b>
<b>Fair value of Non Controlling Interests</b>	<b>145.7</b>
Equity acquired (Equens & Paysquare)	48.9
Customer relationships acquired net of deferred tax	63.7
<b>Fair value of identifiable net assets</b>	<b>112.6</b>
<b>Total</b>	<b>400.8</b>

If new information is obtained by the end of September 2017 (12 months after acquisition date) about facts and circumstances that existed at the acquisition date that would lead to adjustments to opening balance sheet, then the acquisition accounting would be revised.

### **KB SmartPay / Cataps**

Worldline completed on September 30, 2016 its agreement with Komerční banka (KB), a subsidiary of the Société Générale group and one of the leading banks in Czech Republic, to further develop products and services for Czech merchants and finalized the acquisition of Cataps s.r.o. This entity is fully consolidated in Worldline consolidated financial statements since October 1<sup>st</sup>, 2016. This acquisition led to the recognition of customer relationships for € 23.6 million amortized over 11.3 years and a preliminary goodwill of € 30.7 million. The Group has recognized a financial liability of € 6.7 million as at December 31<sup>th</sup>, 2016 corresponding to the fair value of the put option owned by Non-Controlling Interests on the outstanding 20 % shares exercisable at any time from the date of the transaction.

## Note 2 Segment information by Global Business Lines

According to IFRS 8, reported operating segments profits are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss. The chief operating decision maker assesses segments profit or loss using a measure of operating profit. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the company CEO who makes strategic decisions.

The internal management reporting is designed based on Global Business Lines (Merchant Services & Terminals, Financial Services and Mobility & e-Transactional Services). Global Business Lines have been determined by the Group as key indicators by the Chief operating decision maker. As a result and for IFRS 8 requirements, the Group discloses Global Business Lines (GBL) as operating segments. Each GBL is managed by a dedicated member of the Executive Committee.

The P&L indicators as well as the assets have been allocated according to these GBL segments. On OMDA, a part of the cost related to Global Structures has not been allocated by GBL. Regarding Group Assets, the shared assets not allocated by GBL primarily relate to shared infrastructure delivering mutualized services to those three GBL.

The geographical scope and the activities covered by each operating segment are as follows:

Operating segments	Business divisions	Geographical areas
Merchant Services	Merchant Payment Services, Merchant Digital Services	Argentina, Belgium, Czech republic, France, Germany, India, Luxembourg, Poland, Spain, The Netherlands and United Kingdom.
Financial Services	Issuing Processing, Acquiring Processing, Digital Banking, Account Payments	Belgium, China, Finland, France, Germany, Hong Kong, India, Italy, Luxembourg, Indonesia, Malaysia, Singapore, Spain, Taiwan, The Netherlands and the United Kingdom.
Mobility & e-Transactional Services	Trusted Digitization, e-Ticketing, e- Consumer & Mobility	Argentina, Austria, Belgium, Chile, China, France, Germany, Spain, and United Kingdom

Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties. No external customer generates more than 10% of total Group sales. The operating segment information for the period was the following:

(In € million)	Merchant Services & Terminals	Financial Services	Mobility & e- transactional services	Total Group
<b>6 months ended 30 June 2017</b>				
<b>External revenue by Global Business Lines</b>	<b>260.8</b>	<b>345.1</b>	<b>172.2</b>	<b>778.1</b>
% of Group revenue	33.5%	44.4%	22.1%	100.0%
<b>6 months ended 30 June 2016</b>				
<b>External revenue by Global Business Lines</b>	<b>210.1</b>	<b>208.1</b>	<b>196.6</b>	<b>614.8</b>
% of Group revenue	34.2%	33.8%	32.0%	100.0%

The "Merchant Services & Terminals" external revenue is presented net of interchange bank commissions received on behalf of credit card companies.

(In € million)	Merchant Services & Terminals	Financial Services	Mobility & e-transactional services	Global structures	Total Group
<b>6 months ended 30 June 2017</b>					
<b>Operating Margin before Depreciation and Amortization (OMDA)</b>	<b>53.3</b>	<b>88.9</b>	<b>22.7</b>	<b>(11.3)</b>	<b>153.5</b>
% revenue	20.4%	25.8%	13.2%	-1.5%	19.7%
<b>6 months ended 30 June 2016</b>					
<b>Operating Margin before Depreciation and Amortization (OMDA)</b>	<b>45.1</b>	<b>50.8</b>	<b>30.9</b>	<b>(9.6)</b>	<b>117.2</b>
% revenue	21.5%	24.5%	15.7%	-1.6%	19.1%

Operating margin before depreciation and amortization (OMDA) represents the underlying operational performance of the current business and is determined as follows:

(In € million)	6 months ended 30 June 2017	6 months ended 30 June 2016
<b>Operating margin</b>	<b>113.7</b>	<b>91.5</b>
+ Depreciation of fixed assets	44.1	25.1
+ Net book value of assets sold/written off	0.3	0.6
+/- Net charge/(release) of pension provisions	(4.8)	1.7
+/- Net charge/(release) of provisions	0.3	(1.6)
<b>OMDA</b>	<b>153.5</b>	<b>117.2</b>

The geographical segment information for the period was the following:

(In € million)	France	Belgium	Germany & CEE	Netherlands	UK	Rest of Europe	Emerging Markets	Total Group
<b>6 months ended 30 June 2017</b>								
<b>External revenue by geographical area</b>	<b>198.5</b>	<b>176.3</b>	<b>114.3</b>	<b>96.0</b>	<b>57.7</b>	<b>59.6</b>	<b>75.6</b>	<b>778.1</b>
% of Group revenue	25.5%	22.7%	14.7%	12.3%	7.4%	7.7%	9.7%	100.0%
<b>6 months ended 30 June 2016</b>								
<b>External revenue by geographical area</b>	<b>222.9</b>	<b>177.4</b>	<b>65.8</b>	<b>15.4</b>	<b>64.7</b>	<b>16.1</b>	<b>52.6</b>	<b>614.8</b>
% of Group revenue	36.3%	28.8%	10.7%	2.5%	10.5%	2.6%	8.6%	100.0%

### Note 3 Personnel expenses

(In € million)	6 months ended 30 June 2017	% Revenue	6 months ended 30 June 2016	% Revenue
Wages, salaries & social security charges	(310.4)	39.9%	(249.0)	40.5%
Tax, training, profit-sharing	(4.0)	0.5%	(3.8)	0.6%
Net (charge)/release to provisions for staff expenses	0.5	-0.1%	-	0.0%
Net (charge)/release to provisions for pensions and similar benefits	4.8	-0.6%	(1.5)	0.2%
<b>Total</b>	<b>(309.1)</b>	<b>39.7%</b>	<b>(254.3)</b>	<b>41.4%</b>

### Note 4 Non personnel operating expenses

(In € million)	6 months ended 30 June 2017	% Revenue	6 months ended 30 June 2016	% Revenue
Subcontracting costs direct	(141.1)	18.1%	(120.0)	19.5%
Hardware and software purchase	(26.1)	3.4%	(20.9)	3.4%
Maintenance costs	(18.9)	2.4%	(14.0)	2.3%
Rent & Lease expenses	(31.3)	4.0%	(19.9)	3.2%
Telecom costs	(22.0)	2.8%	(18.8)	3.1%
Travelling expenses	(7.1)	0.9%	(5.7)	0.9%
Company cars	(4.7)	0.6%	(3.8)	0.6%
Professional fees	(20.8)	2.7%	(17.5)	2.8%
Taxes & Similar expenses	(5.0)	0.6%	(5.4)	0.9%
Scheme fees	(19.2)	2.5%	(8.6)	1.4%
Others expenses	(30.6)	3.9%	(26.3)	4.3%
<b>Subtotal expenses</b>	<b>(326.8)</b>	<b>42.0%</b>	<b>(261.1)</b>	<b>42.5%</b>
Depreciation of assets	(44.1)	5.7%	(25.1)	4.1%
Net (charge)/release to provisions	(0.7)	0.1%	1.4	-0.2%
Gains/(Losses) on disposal of assets	(0.2)	0.0%	(0.5)	0.1%
Trade Receivables write-off	(1.5)	0.2%	(3.8)	0.6%
Capitalized Production	18.1	-2.3%	20.2	-3.3%
<b>Subtotal other expenses</b>	<b>(28.5)</b>	<b>3.7%</b>	<b>(7.9)</b>	<b>1.3%</b>
<b>Total</b>	<b>(355.2)</b>	<b>45.7%</b>	<b>(269.0)</b>	<b>43.8%</b>

## Note 5 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual and infrequent.

(In € million)	<b>6 months ended 30 June 2017</b>	<b>6 months ended 30 June 2016</b>
Staff reorganization	(4.2)	(2.8)
Rationalization and associated costs	(1.2)	(2.0)
Integration and acquisition costs	(7.4)	(2.8)
Equity based compensation	(3.0)	(3.4)
Customer relationships and patents amortization	(6.9)	(1.7)
Other items	(5.4)	49.0
<b>Total</b>	<b>(28.1)</b>	<b>36.3</b>

Staff reorganization expenses of € 4.2 million increased by € 1.4 million compared to last year and correspond mainly to the restructuring costs induced following the acquisition of Equens and Paysquare, and are also related to the adaptation of the organization mainly in France, Germany, Belgium and the Netherlands.

The € 1.2 million of rationalization and associated costs resulted mainly from external costs linked to the continuation of the TEAM program and to the reorganization of office premises in France. Those costs have decreased by € 0.8 million compared to the first half of 2016.

Integration and acquisition costs reached € 7.4 million (increase of € +4.6 million compared to the prior period) and correspond to the costs related to the execution of the Equens and Paysquare post-acquisition integration.

The six-month 2017 customer relationships amortization of € 6.9 million corresponds to:

- € 0.5 million related to the portion of the consideration paid allocated to the value of the customer relationships and backlog brought by Quality Equipment and Siemens IT Solutions & Services;
- € 5.0 million of Equens and Paysquare customer relationships;
- € 1.4 million of Cataps (KB Smartpay) customer relationships.

In June 2016, the other items included the gain on the Visa Share disposal for € 51.2 million.



## **Equity-based compensation**

A new free shares plan in benefit of the management of Equens has been implemented on January 2<sup>nd</sup>, 2017 with the following details:

	<b>2 January 2017</b>	
	<b>French plan</b>	<b>Foreign plan</b>
Number of shares granted	24 000	171 000
Share price at grant date (€)		26.775
Vesting dates:		
1 <sup>st</sup> vesting date		February 1 <sup>st</sup> , 2019
2 <sup>nd</sup> vesting date		September 1 <sup>st</sup> , 2019
3 <sup>rd</sup> vesting date		April 1 <sup>st</sup> , 2020
No lock-up period	-	-
Expected dividend yield		1.10%
<b>Fair value of shares granted (€)</b>		<b>2.08/2.66/3.25</b>
<b>Expense recognized in June 2017 (in € million)</b>	<b>0.1</b>	<b>0.6</b>

## **Note 6 Net Financial Result**

Net financial expense amounted to € 4.3 million for the period (compared to € 3.9 million in the same period in 2016) and was made up of:

- A net cost of financial debt of € 0.4 million (€ 0.1 million in the first semester 2016) ; and
- A non-operational financial cost of € 3.9 million.

Net cost of financial debt of € 0.4 million is made up of:

- € 0.8 million of cost of gross debt of the Group's subsidiaries representing an average interest rate of 1.07%; and
- € 0.4 million of remuneration of gross cash of the Group's subsidiaries representing an average interest rate of 0.29%.

The other financial income / expenses were mainly composed of foreign exchange losses for € 2.5 million and pension financial costs for € 1.0 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for funded plans (cf. Note 16 «Pensions and similar benefits»).

## **Note 7 Income tax expenses**

The tax charge for the six-month period ended June 30, 2017 was € 20.4 million with a profit before tax of € 81.3 million. The annualized Effective Tax Rate (ETR) of 25.5% adjusted for tax discrete items leads to an ETR of 25.1%.

## Note 8 Earnings per Share

Basic and diluted earnings per share are reconciled in the table below. Potential dilutive instruments comprise stock options, which do not generate any restatement of net income used for the diluted EPS calculation. The average number of stock options not exercised in June 2017 amounted to 2,523,881 shares. As of end of June 2017, potential dilutive instruments comprised stock subscription (equivalent to 642,203 options).

(In € million and shares)	6 months ended 30 June 2017	6 months ended 30 June 2016
<b>Net income - Attributable to owners of the parent [a]</b>	<b>50.8</b>	<b>92.1</b>
Impact of dilutive instruments	-	-
<b>Net income restated of dilutive instruments - Attributable to owners of the parent [b]</b>	<b>50.8</b>	<b>92.1</b>
Average number of shares outstanding [c]	132 406 976	132 008 153
Impact of dilutive instruments [d]	642 203	398 519
Diluted average number of shares [e]=[c]+[d]	133 049 179	132 406 672
<b>Earnings per share in EUR [a]/[c]</b>	<b>0.38</b>	<b>0.70</b>
Diluted earnings per share in EUR [b]/[e]	0.38	0.70

## Note 9 Goodwill

(In € million)	31 December 2016	Disposals Deprecia- tions	Impact of business combi- nation	Exchange rate fluctuations	30 June 2017
Gross value	767.0		44.1	(0.8)	<b>810.3</b>
Impairment loss	(0.6)				<b>(0.6)</b>
<b>Carrying amount</b>	<b>766.4</b>	-	<b>44.1</b>	<b>(0.8)</b>	<b>809.7</b>

Goodwill mainly corresponds to:

- € 243.3 million related to Banksys acquisition; and
- € 431.5 million related to the acquisitions of Equens/Paysquare and Cataps, as detailed in Note 1. The impact of business combination includes € 8.8 million related to Cataps acquisition.

During the semester, the Group has not recorded any impairment for any CGUs as there was not any triggering event as of June 30, 2017.

## Note 10 Intangible assets

(In € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
<b>Gross value</b>				
<b>At January 1<sup>st</sup>, 2017</b>	<b>333.2</b>	<b>128.4</b>	<b>25.2</b>	<b>486.7</b>
Additions	6.3	-	-	6.3
R&D capitalized	18.1	-	-	18.1
Impact of business combination	(25.9)	14.8	-	(11.1)
Disposals (*)	(6.6)	-	-	(6.6)
Exchange differences	(0.7)	0.5	(0.4)	(0.6)
Other	0.8	-	-	0.8
<b>At June 30<sup>th</sup>, 2017</b>	<b>325.3</b>	<b>143.7</b>	<b>24.7</b>	<b>493.7</b>
<b>Accumulated depreciation</b>				
<b>At January 1<sup>st</sup>, 2017</b>	<b>(122.0)</b>	<b>(31.5)</b>	<b>(21.1)</b>	<b>(174.6)</b>
Depreciation charge for the year	(23.6)	(6.9)	(0.3)	(30.8)
Disposals/reversals (*)	6.6	-	-	6.6
Exchange differences	0.4	-	0.5	0.9
<b>At June 30<sup>th</sup>, 2017</b>	<b>(138.6)</b>	<b>(38.4)</b>	<b>(20.9)</b>	<b>(197.9)</b>
<b>Net value</b>				
<b>At January 1<sup>st</sup>, 2017</b>	<b>211.2</b>	<b>96.9</b>	<b>4.1</b>	<b>312.2</b>
<b>At June 30<sup>th</sup>, 2017</b>	<b>186.7</b>	<b>105.3</b>	<b>3.8</b>	<b>295.9</b>

(\*) Write-off of fully depreciated assets

Development capitalized cost is related to the modernization of proprietary technological platforms for € 18.1 million.

## Note 11 Non current financial Assets

(In € million)	30 June 2017	31 December 2016
Pension prepayments	0.8	1.5
Fair value of non-consolidated investments net of impairment	19.1	17.5
Other (*)	8.8	8.8
<b>Total</b>	<b>28.6</b>	<b>27.8</b>

(\*) "Other" include loans, deposits, guarantees and investments accounted for under the equity method.

## Note 12 Trade accounts and notes receivable

(In € million)	30 June 2017	31 December 2016
Gross value	295.9	299.6
Provision for doubtful debt	(5.1)	(4.7)
<b>Net asset value</b>	<b>290.8</b>	<b>294.9</b>
Prepayments	(14.6)	(12.9)
Deferred income and upfront payments received	(77.9)	(92.7)
<b>Net accounts receivable</b>	<b>198.3</b>	<b>189.3</b>
<b>Number of days sales outstanding (DSO)</b>	<b>42</b>	<b>40</b>

### Note 13 Other current assets

(In € million)	30 June 2017	31 December 2016
Inventories	21.3	17.7
State - VAT receivables	23.4	24.2
Prepaid expenses	65.8	60.1
Other receivables & current assets	24.8	24.8
Advance payment	2.0	2.1
<b>Total</b>	<b>137.4</b>	<b>129.0</b>

### Note 14 Cash and cash equivalents

(In € million)	30 June 2017	31 December 2016 (*)
Cash and cash equivalents	478.3	119.9
Current accounts with Atos entities - Assets	-	1.4
Short-term bank deposits	-	250.0
Money market funds	2.8	2.8
<b>Total cash and cash equivalents</b>	<b>481.0</b>	<b>374.0</b>
Overdrafts	(21.7)	(14.5)
Current accounts with Atos entities - Liabilities	(7.5)	(2.5)
<b>Total overdrafts and equivalents</b>	<b>(29.3)</b>	<b>(17.0)</b>
<b>Total net cash and cash equivalents</b>	<b>451.7</b>	<b>357.0</b>

(\*) 31 December 2016 adjusted to reflect change in presentation disclosed in Note "Accounting rules and policies"

### Note 15 Shareholder equity

In March and in June 2017, 289.260 new shares were created following the exercise of the stock-options plan from the September 2014 and September 2015 plans.

At the end of June 2017, the total of shares reached at 132,636,256 with a nominal value of € 0.68. Common stock was increased from € 89,995,957.28 to € 90,192,654.08.

### Note 16 Pensions and similar benefits

Discount and long term inflation rates for the Eurozone and the United Kingdom have remained stable since December 31, 2016.

	30 June 2017	31 December 2016
Euro zone (long duration plans)	1.95%	1.95%
Euro zone (other plans)	1.40%	1.40%
United Kingdom	2.80%	2.80%

The fair value of plan assets for the major UK scheme has been remeasured as at June 30, 2017.

The net total amount recognized in the balance sheet in respect of pension plans per June 30, 2017 is a liability of € 113.6 million (compared to a liability of € 124.7 million per December 31, 2016).

(In € million)	30 June 2017	31 December 2016
Prepaid pension asset	0.8	1.5
Accrued liability – pension plans	(114.3)	(126.1)
<b>Total Pension plan</b>	<b>(113.6)</b>	<b>(124.7)</b>
Accrued liability – other long term benefits	(5.6)	(5.4)
<b>Total accrued liability</b>	<b>(119.9)</b>	<b>(131.6)</b>

During the first half of 2017, a change in the plan rules was introduced in the Railways Pension Scheme in the UK to freeze the pensionable pay on an ongoing basis. As a result, pensionable benefits will no longer increase with salary evolutions. A corresponding one-off impact of € 7 million was recorded in the P&L during the six-month period ended June 30, 2017.

The net impact of defined benefits pension plans on Group profit and loss can be summarized as follows:

(In € million)	6 months ended 30 June 2017	6 months ended 30 June 2016
Operating margin	2.9	(3.1)
Financial result	(1.0)	(0.9)
<b>Total (expense)/profit</b>	<b>1.8</b>	<b>(4.0)</b>

#### Note 17 Trade accounts and notes payable

(In € million)	30 June 2017	31 December 2016 (*)
Trade payables and notes payable	259.2	223.7
<b>Trade payables and notes payable</b>	<b>259.2</b>	<b>223.7</b>
Advance payments	(2.0)	(2.1)
Prepaid expenses	(65.8)	(60.1)
<b>Net accounts payable</b>	<b>191.4</b>	<b>161.5</b>
<b>Number of days payable outstanding (DPO)</b>	<b>87</b>	<b>70</b>

(\*) 31 December 2016 adjusted to reflect change in presentation disclosed in Note "Accounting rules and policies"

Trade accounts and notes payable are expected to be paid within one year.

#### Note 18 Other current liabilities

(In € million)	30 June 2017	31 December 2016
Advances and down payments received on client orders	14.6	12.9
Employee-related liabilities	82.0	76.0
Social security and other employee welfare liabilities	41.1	35.3
VAT payable	44.4	39.2
Deferred income	71.1	81.8
Other operating liabilities	59.3	25.9
<b>Total</b>	<b>312.5</b>	<b>271.1</b>

Other current liabilities are mainly expected to be settled within one year. Deferred income is released over the particular arrangement of the corresponding contract.

## Note 19 Related parties

The main transactions between the related entities are made up of:

- The re-invoicing of the premises;
- The invoicing of delivery services such as personnel costs or use of delivery infrastructure;
- The invoicing of administrative services; and
- The interest expenses related to the financial items.

These transactions are entered into at market conditions.

The related party transactions are detailed as follows:

(In € million)	<b>6 months ended 30 June 2017</b>	<b>6 months ended 30 June 2016</b>
Revenue	21.2	25.6
Operating income / expenses	(49.5)	(51.9)
Other operating expenses	(0.2)	(0.3)
Net cost of financial debt	(0.4)	(0.3)

The receivables and liabilities included in the statement of financial position linked to the related parties are detailed as follows:

(In € million)	<b>30 June 2017</b>	<b>31 December 2016</b>
Trade accounts and notes receivables	13.3	12.1
Other current assets	13.0	22.7
Current accounts & cash agreement - Assets	-	1.4
Trade accounts and notes payables	25.2	47.0
Other current liabilities	5.2	2.2
Current accounts & cash agreement with Atos entities - Liabilities	7.1	2.5

## Note 20 Subsequent events

### Acquisition of Digital River World Payments

Worldline announced on July 17, 2017 it has entered into a definitive agreement to acquire 100 percent of the share capital of Digital River World Payment ("DRWP"), a leading online global payment service provider, from Digital River, Inc., a leading global provider of Commerce-as-a-Service solutions.

Founded in 1997 and headquartered in Stockholm, Sweden, DRWP is a subsidiary of Digital River and employs approximately 120 employees worldwide. With global payment gateway, multi-acquiring and collecting services under one roof and having generated yearly gross revenue of c. 37 million euros in 2016, DRWP delivers comprehensive online payment acceptance and optimization solutions for leading enterprise brands, spanning a variety of industries, including travel, retail, direct selling and digital goods.

Through the acquisition of DRWP, Worldline increases its internet payment capabilities, notably with online payment collecting services, and gain access to a client base composed of Tier 1 e-Merchants. The Group also expands its global reach to new geographies (USA, Brazil, Sweden).

The transaction is expected to close on or before the end of the third quarter of 2017.

### Disposal of the Cheque Service

Worldline has sold as of July 1, 2017 its Cheque Services business in France through a management buy-out, as there were low synergies with the other activities of Worldline and as this business was dilutive to the Group's growth and profitability. This activity generated revenue of less than €20 million and was dilutive to the Group's OMDA margin in 2016.

## **C.5 Statutory Auditors' Review Report on the half-yearly financial information for the period from January 1 to June 30, 2017**

*This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by the General Meetings and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying interim condensed consolidated financial statements of Worldline, for the period from January 1 to June 30, 2017,
- the verification of the information presented in the interim management report.

These interim condensed consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

### **I. Conclusion on the financial statements**

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to the matter set out in section « Intermediation activities of Worldline » included in paragraph C.4.6.2 « Accounting rules and policies » of the notes to the interim condensed consolidated financial statements, which describes the new presentation of the balances of these activities in other current assets and other current liabilities from the consolidated statement of financial position.

### **II. Specific verification**

We have also verified the information presented in the interim management report on the condensed consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the interim condensed consolidated financial statements.

Neuilly-sur-Seine, July 26, 2017

The Statutory Auditors  
*French original signed by*

Deloitte & Associés

Grant Thornton  
*French member of Grant Thornton International*

Jean-Pierre Agazzi

Victor Amselem



## D RISK FACTORS

The Group has conducted a review of risks that could have a significant impact on its business or results (or its ability to achieve its objectives) and considers that there is no significant other risks than those presented in Section 4 “Risk factors” and in Section 9.1.2 “Principal factors affecting the Group’s revenue and profitability” of the 2016 Registration Document filed with the AMF on April 28, 2017, except for the following update regarding ongoing proceedings presented in Section 20.6 “Legal Proceedings”.

### D.1 Evolution of the TrustSeed Litigation

As a reminder, TrustSeed filed a final appeal (*pourvoi en cassation*) with the French Supreme Court against the Paris Court of Appeal’s decision of October 27, 2015 confirming the first instance judgment and rejecting TrustSeed’s claims. On June 14, 2017, the French Supreme Court dismissed TrustSeed’s final appeal. This proceeding is now closed.

## E CORPORATE GOVERNANCE

### E.1 Office renewals

The Company's Combined General Meeting held on May 24, 2017 approved all the proposed renewals of terms of office of directors which it was submitted. In particular, it renewed the term of office as Directors of Ms. Susan, Ms. Tolson (American citizen), Mr. Thierry Breton (French citizen), Mr. Gilles Grapinet (French citizen) and Mr. Aldo Cardoso (French citizen).

The Board of Directors also submitted to the General Meeting the ratification of the co-opting of Ms. Sophie Houssiaux as member of the Board of Directors in replacement of Mr. Charles Dehelly and the ratification of the co-opting of Ms. Danielle Lagarde as member of the Board of Directors in replacement of Mr. Michel-Alain Proch.

### E.2 Composition of the Board of Directors

As of the date of this Update of the Registration Document, the Board of Directors, comprised of 9 persons including 3 independent directors, was the following:

<b>Name of the Director</b>	<b>Date of first appointment or latest renewal</b>	<b>Date of the expiry of the mandate</b>
Mr. Thierry BRETON	May 24, 2017	AGM 2020
Mr. Gilles GRAPINET	May 24, 2017	AGM 2020
Ms. Sophie Houssiaux	May 24, 2017	AGM 2018
Ms. Susan M. TOLSON *	May 24, 2017	AGM 2020
Mr. Aldo CARDOSO *	May 24, 2017	AGM 2020
Mr. Luc REMONT *	May 26, 2016	AGM 2019
Ms. Danielle LAGARDE	May 24, 2017	AGM 2018
Mr. Gilles ARDITTI	May 26, 2016	AGM 2018
Ms. Ursula MORGENSTERN	May 26, 2016	AGM 2019

\* *Independent Director*

### E.3 Composition of the Committees of the Board of Directors

As of the date of this Update of the Registration Document, the composition of the committees of the Board of Directors was the following:

- the Audit Committee is composed of the following members, whose term of office is the same as their term as members of the Board of Directors:
  - Mr. Aldo Cardoso (President);
  - Ms. Susan M. Tolson;
  - Mr. Gilles Arditti
- the Nomination and Compensation Committee is composed of the following members, whose term of office is the same as their term as members of the Board of Directors:
  - Mr. Luc Rémont (President);
  - Ms. Susan M. Tolson;
  - Mr. Thierry Breton.
- the Investment Committee is composed of the following members, whose term of office is the same as their term as members of the Board of Directors:
  - Mr. Thierry Breton ;
  - Mr. Gilles Grapinet ;
  - Mr. Aldo Cardoso

## **E.4 Combined General Meetings held on 2017**

### **E.4.1 Combined General Meeting held on May 24, 2017**

The Combined General Meeting held on May 24, 2017 approved all the resolutions submitted by the Board of Directors. The results of the votes at the Combined General Meeting together with the documentation on the adopted resolutions are available on the Company's website, [www.worldline.com](http://www.worldline.com), Investors section.

### **E.4.2 Combined General Meeting held on July 24, 2017**

The Combined General Meeting of Worldline's shareholders held on July 24, 2017 allowed for the confirmation of the respective terms of office as directors of all current members of the Board of Directors, as presented in Sections E.1 and E.2 above, in line with the remaining duration of their respective terms of office. The Board of Directors met after the General Meeting and confirmed the mandates of the Chairman of the Board of Directors and of the Chief Executive Officer for the duration of their offices as directors, and confirmed the composition of the Board's committees referred to in Section E.3 above.

Further to a request by the majority shareholder in relation to Article 15 of the Articles of Association concerning the shares held by the Company's directors, the Combined General Meeting approved an amendment to the Articles of Association; within this framework, the Board of Directors decided to set at 750 in its internal regulations the minimum number of shares required to be held by the Company's directors, it being specified that the current directors already owned 1,500 shares respectively, except for Mr. Gilles Grapinet who owned 20,000 Worldline shares. The General Meeting finally confirmed all the resolutions adopted by the shareholders during prior meetings of shareholders pursuant to a new resolution submitted by the majority shareholder.

The results of the votes at the Combined General Meeting together with the documentation on the adopted resolutions are available on the Company's website, [www.worldline.com](http://www.worldline.com), Investor section.

## **E.5 Executive compensation and shareholding**

### **E.5.1 Worldline SA performance shares granted to Directors and Senior Executives since January 1, 2017**

In connection with the authorization granted, for thirty-eight months, by the Combined General Meeting of May 24, 2017 (twenty-third resolution), the Board of Directors, during its meeting held on July 24, 2017, and upon the recommendation of the Nomination and Remuneration Committee, decided to proceed with the allocation of a maximum of 504,818 ordinary performance shares of the Company (taking into account a mechanism to modulate the number of shares in case of over-performance, through the application of a multiplier coefficient capped at 115%), existing or to be issued in favor of the first managerial lines of Worldline, key talents and key experts, including the Chief Executive Officer.

Performance conditions to be achieved over the three years 2017, 2018 and 2019 of the new plan relate to internal financial criteria linked to Free Cash Flow, Operating Margin before Depreciation and Amortization and Revenue Growth. The plan also provides for three external conditions detailed below.

The features of the performance share allocation plan are as follows:

**1. Condition of attendance:** Subject to certain exceptions provided for in the plan, the allocation of performance shares is conditioned on the preservation of employee or corporate officer status of the Worldline Group or of Atos SE or of any company affiliated with Atos SE, by the beneficiary during the acquisition period (section 3 below) in accordance with article L. 225-180 of the French Commercial Code.

**2. Performance condition:** The allocation of performance shares is also subject to the achievement of the following internal and external performance conditions, calculated for the three years 2017, 2018 and 2019.

### **Internal and external performance conditions to be satisfied in 2017, 2018 and 2019**

#### **Internal performance conditions**

For each year 2017, 2018 and 2019, at least 2 out of 3 internal performance criteria must be met. If one criterion is not met, this criterion becomes compulsory for the following year.

#### **Internal Performance Condition n°1**

The amount of the Group Free Cash Flow, before dividends and income generated from acquisitions/disposals in the relevant year, is at least equal to one of the following two amounts:

- (i) 85 % of the Worldline Group Free Cash Flow set forth, before dividends and income generated from acquisitions/disposals in the budget of the Company for the relevant year; or
- (ii) the Worldline Group Free Cash Flow before dividends and income generated from acquisitions/disposals recorded in the previous year increased by 10 %.

#### **Internal Performance Condition n°2**

The Group Operating Margin before Depreciation and Amortization in the relevant year is at least equal to one of the following two amounts:

- (i) 85 % of the Worldline Group Operating Margin before Depreciation and Amortization disclosed in the budget of the Company for the relevant year; or
- (ii) the Worldline Group Operating Margin before Depreciation and Amortization recorded in the previous year increased by 10 %.

#### **Internal Performance Condition n° 3**

The Worldline Group Revenue Growth for 2017\*, 2018 and 2019 is at least equal to one of the following two amounts:

- (i) the growth rate set forth in the Company's budget minus a percentage decided by the Board of Directors; or
- (ii) +5% growth rate in reference to the growth targets of the Company.

(\* ) For 2017, the percentage disclosed in the budget is the "Full Year B2".

The indicators of Performance Conditions n°1, n°2 and n°3 will be calculated at constant currency exchange rates and consolidation scope.

## External Performance Conditions

For each year 2017, 2018 and 2019, at least 2 out of 3 performance criteria must be met (or maintained if already at the highest level):

- The Worldline Group gets the GRI Standards “Comprehensive” option (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);
- The Worldline Group gets the Eco Vadis CSR label “Gold” (or its equivalent if, during the plan, the terminology to define the highest achievable level is modified);
- The Worldline Group gets the GAIA Index Certification general rating equal or above 70/100 (or its equivalent if, during the plan, this terminology is modified).

Subject to the presence and performance conditions of the plan being achieved, the definitive allocation of performance shares may vary between 85% and 115% of the number of performance shares communicated to the Beneficiaries in the letter of grant, in case of, respectively, under-performance or over-performance of the Worldline Group during the period 2017-2019 compared to objectives defined by the Board of Directors.

### 3. Acquisition period:

Beneficiaries of performance shares will definitively acquire the shares on 24 July 2020, subject to achieving the performance conditions and the aforementioned condition of attendance until 24 July 2020. The shares thus acquired will not be subject to any holding obligation and will be immediately available for sale by their beneficiaries, in compliance with the « closed periods » as set by the Company according to the Insider and Confidential Information Guide.

### 4. Specific supplementary provisions applicable to the Chief Executive Officer:

The Board of Directors allocated a maximum of 43.700 performance shares to the Worldline Chief Executive Officer on 24 July 2017. This amount takes into account the recommendations of the AFEP-MEDEF Corporate Governance Code with respect to the Chief Executive Officer.

In its analysis, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, considered the following elements:

- The allocation of a theoretical maximum (see above) of 43.700 performance shares to the Chief Executive Officer;
- The principle and supplemental requirement to modulate the definitive allocation of the number of performance shares for the Chief Executive Officer, relating to a possible over-performance through the application of a multiplier coefficient of maximum 115% resulting from such over-performance, and this in compliance with the threshold of a compensation in shares of 50% of his total annual compensation (even in the most favorable circumstances);
- The conservation obligation, for the duration of his duties, of 15% of performance shares allocated to him will also apply to the Chief Executive Officer;
- Will also apply the prohibition to conclude any financial hedging instruments over the shares being the subject of the award during the whole duration of the mandate of the Chief Executive Officer.

### E.5.2 Other attribution of Worldline SA performance shares since January 1, 2017

In connection with the authorization granted, for thirty-eight months, by the Combined General Meeting of May 26, 2016 (twenty-third resolution), the Board of Directors, during its meeting held on December 12, 2016, and upon the recommendation of the Nomination and Remuneration Committee, decided to grant as from January 2, 2017, ordinary performance shares of the Company, existing or to be issued, in favor of the members of the equensWorldline Board of Directors. The features of the performance share allocation plan, including the attendance and performance conditions, are detailed in the 2016 Company Registration Document, under section 17.3.4.

### E.5.3 Worldline SA stock subscription options definitely acquired by the Directors and Senior Executives since 1 January 2017

180.000 stock-options granted on September 1, 2015 to Mr. Gilles Grapinet (upon approval of the Board of Directors on July 25, 2015), with performance conditions relating to 2015 and 2016, vested on May 15 2017. The vesting conditions are detailed in the 2016 Company Registration Document, under section 17.3.5.

### E.5.4 Worldline SA stock subscription options exercised since 1 January 2017

Plan (grant date)	Number of options exercised on 30 June 2017	Capital Increase (in €)	Issuing Premium (in €)	Increase of Shareholders' Equity (in €)
Plan of 03/09/2014	205,110	139,474.8	3,392,519.4	3,531,994.2
Plan of 01/09/2015	84,150	57,222.0	1,867,288.5	1,924,510.5
<b>TOTAL</b>	<b>289,260</b>	<b>196,696.8</b>	<b>5,259,807.9</b>	<b>5,456,504.7</b>

On 30 June 2016, Mr. Gilles Grapinet has not exercised any Options relating to either the Plan of September 3, 2014 or the Plan of September 1, 2015.

### E.5.5 Atos SE stock subscription options exercised since 1 January 2017 by the Directors - AMF Table 5

Mr. Thierry Breton does not hold any stock subscription options.

	Issuer	Plan Date (1)	Number of options exercised since January 1, 2017	Exercise Price
Mr. Gilles Grapinet CEO	ATOS	23 December 2008	14 000	18.40 euros

(1) Corresponds to the date of the Board of Directors' meeting that approved the grant.

### E.5.6 Atos SE performance shares awarded to the Directors and Senior Executives since January 1, 2017 – AMF table 6

	<b>Issuer</b>	<b>Plan Date (1)</b>	<b>Number of shares awarded since 1 January 2017 (2)</b>	<b>Acquisition Date</b>	<b>Availability Date</b>
Mr. Thierry Breton Chairman	ATOS	24 July 2017	43 000	24 July 2020	24 July 2020
Mr. Gilles Grapinet CEO	ATOS	25 July 2017	6 000	25 July 2020	25 July 2020

(1) Corresponds to the date of the Board of Directors' meeting that approved the grant

(2) Corresponds, for the Chairman, to the maximum number of shares granted. This final number of shares will be capped at 38 738 shares according to the rules detailed in the Update of the 2016 Atos SE Registration Document under Section D.4.1.

The characteristics of this performance share plan of Atos, in particular the condition of presence and performance conditions are described in the Update of the 2016 Atos SE Registration Document, under Section D.4.1.

### E.5.7 Performance shares available for Directors and Senior Executives since January 1, 2017 – AMF table 7

Since 1 January 2017, the Atos SE performance shares granted on 24 July 2013, in accordance with the France Plan Rules, are available. The Chairman of the Board of Directors and the CEO were beneficiaries of this Plan for their roles within the Atos Group. The vesting conditions are detailed in the 2016 Registration Document of Atos SE, under section G.4.3.4.

	<b>Issuer</b>	<b>Plan Date (1)</b>	<b>Number of shares definitely vested since 1 January 2017</b>	<b>Date of vesting</b>	<b>Date of availability</b>
Mr. Thierry Breton Chairman	ATOS	24 July 2013	45 000	24 July 2015	24 July 2017
Mr. Gilles Grapinet CEO	ATOS	24 July 2013	22 500	24 July 2015	24 July 2017

(1) Corresponds to the date of the Board of Directors' meeting that approved the grant

## F COMMON STOCK EVOLUTION

### F.1 Basic data

Worldline SA shares are traded on the Paris Euronext Market under code ISIN FR0011981968. The shares have been listed in Paris since June 27, 2014. The shares are not listed on any other stock exchange.

#### F.1.1 Information on stock

Number of shares	: 132,636,256
Sector classification	: Information Technology
Main index	: CAC AllShares
Other indices	: SBF 120, CAC Industrials, CAC Sup. Services
Market	: Euronext Paris Segment A
Trading place	: Euronext Paris (France)
Tickers	: WLN (Euronext)
Code ISIN	: FR0011981968
Payability PEA/SRD	: Yes/Yes

#### F.1.2 Free float

The free-float of the Group shares excludes stakes held by the reference shareholder, namely Atos SE holding 69.97% of the share capital. No other reference shareholder has announced its will to maintain a strategic shareholding in the Group's share capital. Stakes owned by the employees and the management are also excluded from the free float.

To the Company's knowledge and based on notices received by it, no shareholder other than Atos SE held 5% or more of the Company's share capital and voting rights.

<b>As at June 30, 2017</b>	<b>Number of shares</b>	<b>% of share capital</b>	<b>% of voting rights</b>
Atos SE	92,802,579	69.97%	82.32%
Board of Directors	32,004	0.02%	0.02%
Employees	297,928	0.22%	0.13%
Free float	39,503,745	29.78%	17.52%
<b>Total</b>	<b>132,636,256</b>	<b>100.00%</b>	<b>100.00%</b>



## F.2 Share capital as at June 30, 2017

As at June 30, 2017, the Company's share capital was € 90,192,654.08, divided in 132,636,256 fully paid shares of €0.68.

Since December 31, 2016, share capital has been increased by €196,696.80, corresponding to 289,260 newly issued shares resulting from the exercise of stock-options.

## F.3 Other Securities Giving Access to Share Capital

### F.3.1 Stock-option plans

Date of Shareholders Meeting	Date of Board meeting	Exercise period start date	Exercise period end date	Options granted	Options exercised	Options cancelled or expired	Status on 06/30/2017
06/13/2014	09/03/2014	05/15/2016	09/03/2024	1,527,220	462,389	99,300	965,531
06/13/2014	07/27/2015 <sup>1</sup>	05/15/2017	08/31/2025	1,558,500	84,150	154,500	1,319,850
06/13/2014	02/22/2016 <sup>2</sup>	05/25/2018	05/24/2026	196,000	-	2,500	193,500
06/13/2014	07/25/2016 <sup>3</sup>	05/25/2018	08/15/2026	45,000	-	-	45,000
<b>Total</b>				<b>3,326,720</b>	<b>546,539</b>	<b>256,300</b>	<b>2,523,881</b>

<sup>1</sup> The grant date has been set by the Board of Directors on September 1, 2015.

<sup>2</sup> The grant date has been set by the Board of Directors on May 25, 2016.

<sup>3</sup> The grant date has been set by the Board of Directors on August 16, 2016.

If all the remaining stock-options were to be exercised before the end of the first semester 2017, 2,523,881 new shares would be created, representing a dilution percentage of 1.90%.

### F.3.2 Performance share plans

	General Meeting		Total
	05/26/2016	05/26/2016	
<b>Board of Directors meeting date</b>	07/25/2016	07/25/2016	
Plan details	France	International	
Number of beneficiaries	67	62	129
Number of shares granted *	262,787	153,827	416,614
Number of shares cancelled or void	15,813	1,725	17,538
<b>Number of shares vested on 06/30/2017</b>	-	-	-
<b>Status on 06/30/2017</b>	246,974	152,102	<b>399,076</b>
<b>Vesting Date</b>	07/25/2018	07/25/2019	
<b>Availability Date</b>	07/25/2019	07/25/2019	

\* The number of shares takes into account the application of a maximum 115% multiplier coefficient.

The 399.076 remaining performance shares represent 0.30% of the Worldline share capital as of June 30, 2017.

As indicated in section E.5.1, the Board of Directors, during its meeting held on July 24, 2017, and upon the recommendation of the Nomination and Remuneration Committee, decided to proceed with the allocation of a maximum of 504,818 ordinary performance shares of the Company (taking into account a mechanism to modulate the number of shares in case of over-performance, through the application of a multiplier coefficient capped at 115%), existing or to be issued. These 504,808 additional ordinary performance shares represented 0.38% of the Worldline share capital as of June 30, 2017.

### F.3.3 Current authorizations to issue shares and other securities

Pursuant to the resolutions adopted by the General Meetings of June 13, 2014 and May 24, 2017 the following authorizations to modify the share capital and to issue shares and other securities are in force as of the date of this document:

Authorization	Duration of Authorization	Maximum Amount	Use of authorizations (par value)	Unused balance (par value)
A.G.M 13 June 2014 Stock option plans	38 months	2.5% of the Company's share capital <sup>(3)</sup>	3,070,420 net grant of Stock options	233,138 Stock-options
A.G.M 24 May 2017 (14 <sup>th</sup> resolution)  Authorization to enter into transactions involving the Company's shares	18 months	10% of the share capital adjusted at any moment	Unused	10%
A.G.M 24 May 2017 (16 <sup>th</sup> resolution)  Share capital increase by capitalization of share premiums, reserves, profits or other items that may be capitalized	26 months	Maximum amount of share capital increase: €500 million	Unused	Maximum amount of share capital increase: €500 million
A.G.M 24 May 2017 (17 <sup>th</sup> resolution)  Share capital increase with preferential subscription rights	26 months	Maximum amount of share capital increase: 50% of the share capital <sup>(1)</sup> Maximum amount of debt instruments: €1 billion	Unused	Maximum amount of share capital increase: 50% of the share capital <sup>(1)</sup> Maximum amount of debt instruments: €1 billion
A.G.M 24 May 2017 (18 <sup>th</sup> resolution)  Share capital increase without preferential subscription rights by public offer	26 months	Maximum amount of share capital increase: 45% of the share capital <sup>(1)</sup> Maximum amount of debt instruments: €1 billion	Unused	Maximum amount of share capital increase: 45% of the share capital <sup>(1)</sup> Maximum amount of debt instruments: €1 billion

Authorization	Duration of Authorization	Maximum Amount	Use of authorizations (par value)	Unused balance (par value)
<p>A.G.M 24 May 2017 (19<sup>th</sup> resolution)</p> <p>Share capital increase without preferential subscription rights by an offer made pursuant to Article L. 411-2 of the French Monetary and Financial Code (i.e., private placements to qualified investors)</p>	26 months	<p>Maximum amount of share capital increase: 30% of the share capital <sup>(1) (2)</sup></p> <p>Maximum amount of debt instruments: €600 million</p>	Unused	<p>Maximum amount of share capital increase: 30% of the share capital <sup>(1) (2)</sup></p> <p>Maximum amount of debt instruments: €600 million</p>
<p>A.G.M 24 May 2017 (20<sup>th</sup> resolution)</p> <p>Share capital increase in consideration for contributions in kind</p>	26 months	10% of the Company's share capital <sup>(1) (2)</sup>	Unused	10% of the Company's share capital <sup>(1) (2)</sup>
<p>A.G.M 24 May 2017 (21<sup>st</sup> resolution)</p> <p>Increase of the number of shares to be issued with or without preferential subscription rights</p>	26 months	<p>Maximum percentage under applicable French law on the day of the issuance (as of the date of this Registration Document, 15% of the initial share capital increase) <sup>(1) (2) (4)</sup></p>	Unused	<p>Maximum percentage under applicable French law on the day of the issuance (as of the date of this Registration Document, 15% of the initial share capital increase) <sup>(1) (2) (4)</sup></p>
<p>A.G.M 24 May 2017 (22<sup>nd</sup> resolution)</p> <p>Share capital increase in connection with an employee share savings plan without preferential subscription rights</p>	26 months	2.5% of the Company's share capital <sup>(1)</sup>	Unused	2.5% of the Company's share capital <sup>(1)</sup>

Authorization	Duration of Authorization	Maximum Amount	Use of authorizations (par value)	Unused balance (par value)
A.G.M 24 May 2017 (23 <sup>rd</sup> resolution)  Free share plans	38 months	0.5% of the Company's share capital	504,818	157,517
A.G.M 24 May 2017 (15 <sup>th</sup> resolution)  Decrease in share capital by cancellation of shares	18 months	10% of the Company's share capital for any 24-month period		10% of the Company's share capital for any 24-month period

<sup>(1)</sup> The total maximum nominal amount for the capital increases that may be realized under this authorization is to be deducted from the overall limit fixed at 80% of the share capital in connection with a capital increase, whether immediate or deferred.

<sup>(2)</sup> The total maximum nominal amount for the capital increases that may be realized under this authorization is to be deducted from the overall limit fixed at €40 million in connection with a capital increase, whether immediate or deferred.

<sup>(3)</sup> A sub-ceiling fixed at 0.5% applies to the allocations to the Chairman, CEO and other legal representatives (mandataires sociaux).

<sup>(4)</sup> The nominal amount for the capital increases that may be realized under this authorization is to be deducted from the overall limit of the resolution pursuant to which the initial issuance was decided.

## F.4 Shareholders' agreement

The Company has not received notice of any shareholder agreements for filing with the stock exchange authorities and, to the best knowledge of the Company, no other "action de concert" (shareholder agreements) or similar agreements exist.

To the Company's knowledge, there is no other agreement capable of having a material effect, in case of a public offer on the share capital of the Company.

## F.5 Key subsequent trading events

**July 6, 2017**

### **Amendment to the AMAFI liquidity agreement**

Pursuant to article 11 of the AMAFI liquidity agreement entered into on July 28, 2014 with Worldline SA and in order to allow Rothschild & Cie Banque to ensure continuity of its actions under this agreement, Worldline SA decided to proceed to a supplementary contribution in cash of € 2,500,000. The other terms and conditions remain unchanged.

**July 17, 2017**

### **Acquisition of Digital River World Payments**

Please refer to section C.1.9 M&A Activities

**July 24, 2017**

### **Combined General Meeting**

Please refer to section E.4.2 Combined general Meeting held on July 24, 2017

**July 25, 2017**

### **First half 2017 results, acquisition of First Data Baltics, Partnership agreement with InTouch and disposal of Chèque Service**

At constant scope and exchange rates, Worldline **revenue** stood at **€ 778.1 million** representing an organic growth of **+1.7%** at the end of June 2017 compared with the first half of 2016. The Global Business Lines Merchant Services and Financial Services contributed to the revenue growth, while Mobility & e-Transactional Services was still impacted, as in H2 2016, by the termination of one historical contract in France (the "Radar" contract), which occurred in June 2016 and which therefore has affected Worldline growth for the last time during this H1 2017. Excluding the comparison basis impact resulting from this contract termination, the growth rate of the rest of the businesses was above +6%.

The Group's **OMDA** reached **€ 153.5 million** or **19.7%** of revenue, i.e. an increase of +170 basis points, fully in line with the objective initially set for the full year to reach an OMDA percentage of between 20.0% to 20.5%, corresponding to an ambition to increase OMDA between +150 to +200 basis points.

**Normalized net income**<sup>2</sup> stood at **€ 71.9 million** and progressed by **+16.0%**. **Net income** Group share stood at **€ 50.8 million**, decreasing by € 41.3 million compared with the same period last year, which included the exceptional profit from the disposal of the Visa Europe share.

First half 2017 **free cash flow** was **€ 88.0 million**, representing a **+25.7%** increase compared to H1 2016.

**Net cash** reached **€ 440.1 million**, increasing by **€+92.4 million** compared with the net cash position as at December 31, 2016, which was adjusted by €-51.2 million to reflect the presentation of assets and liabilities related to intermediation activities<sup>3</sup>.

<sup>2</sup> The normalized net income excludes unusual and infrequent items (net of tax).

<sup>3</sup> Please refer to note Accounting rules and policies to the Condensed Interim Financial Statements

### Worldline to acquire the leading payment processor in the Baltics from First Data Corporation

Worldline announce today the signature of an agreement with First Data Corporation (“FDC”) for the acquisition of 100% of the share capital of FDC’s fully owned subsidiaries in, Lithuania, Latvia, Estonia (together “First Data Baltics” or “FDB”) for c.€ 73 million, financed by available cash.

Having generated revenue of c. € 23 million in 2016, presenting a strong financial profile with EBITDA margin materially above Worldline’s EBITDA, FDB currently employs c.200 employees and is the leading financial processor in the Baltics, providing to the main Baltic banking groups and also to some banks in the wider Nordic region, a large range of outsourcing services.

Through this acquisition, Worldline gains a unique leading position in the fast-growing Baltic countries, significant development perspectives in the Baltics (n°1 in Latvia & Lithuania, n°2 in Estonia) thanks to structural electronic payments growth. Numerous synergy levers with Worldline portfolio have been identified allowing the acceleration of both revenue and profitability.

### Worldline, jointly with Total, partners with the African payment Fintech InTouch

On July 13, 2017, Worldline and Total signed a binding technological, commercial, and financing agreement with African fintech InTouch. Worldline and Total will support the deployment acceleration of the “Guichet Unique” platform in eight African countries (Senegal, Ivory Coast, Cameroon, Burkina Faso, Guinea (Conakry), Mali, Morocco and Kenya). This solution allows merchants to aggregate payment means (e.g. mobile money, payments through private label cards, cash) and to sell third party services (subscriptions to media content, bill settlements, money transfer, cards top-up, etc.) through a unique interface. As part of the agreement, Worldline will take along with Total a minority stake in InTouch and will provide, as a first step of a broader technological agreement, a secure and industrial hosting infrastructure to enable the fast deployment of Guichet Unique.

### Disposal of the Cheque Service

As part of the regular review of its portfolio, the Group has decided to sell its Cheque Services business in France through a management buy-out, as there were low synergies with the other activities of Worldline and as this business was dilutive to the Group’s growth and profitability. This activity generated revenue of less than €20 million and was dilutive to the Group’s OMDA margin in 2016.

This transaction, which is supported by Cheque Service employees, will allow Cheque Service to pursue its commercial expansion in France.

## **G FINANCIAL CALENDAR AND CONTACTS**

### **G.1 Financial calendar**

October 3, 2017	Investor Day
October 23, 2017	Q3 2017 revenue

### **G.2 Contacts**

Institutional investors, financial analysts and individual shareholders may obtain information from:

**David Pierre-Kahn,**  
Head of Investor Relations  
80, quai Voltaire  
95870 Bezons  
T : +33 (0)1 3434 9066  
M: +33 (0)6 2851 4596  
[David.pierre-kahn@worldline.com](mailto:David.pierre-kahn@worldline.com)

Requests for information can also be sent by email to [investor-relations@worldline.com](mailto:investor-relations@worldline.com)

## H FULL INDEX

Contents .....	2
A Persons responsible.....	3
A.1 For the Update of the Registration Document.....	3
A.2 For the accuracy of the Update of the Registration Document .....	3
A.3 For the audit.....	3
B Worldline in the first semester of 2017 .....	4
B.1 Interim consolidated income statement.....	4
B.2 Other H1 2017 key figures .....	5
B.3 Key achievements .....	6
C Financials.....	9
C.1 Operational review .....	9
C.1.1 Executive Summary .....	9
C.1.2 Statutory to constant scope and exchange rates reconciliation.....	10
C.1.2.1 Revenue .....	10
C.1.2.2 Operating margin before Depreciation and Amortization (OMDA) .....	11
C.1.3 Revenue profile evolution .....	11
C.1.4 Performance by Global Business Line .....	12
C.1.4.1 Merchant Services.....	12
C.1.4.2 Financial Services .....	13
C.1.4.3 Mobility & e-Transactional services .....	14
C.1.5 Performance by geography.....	15
C.1.6 Commercial activity .....	16
C.1.6.1 Main H1 2017 signatures and achievements .....	16
C.1.6.2 Full backlog.....	17
C.1.7 Integration and synergy plans .....	17
C.1.8 Human Resources .....	18
C.1.8.1 Headcount evolution.....	18
C.1.8.2 Attrition .....	19
C.1.8.3 External subcontractors .....	19
C.1.9 M&A activity .....	20
C.2 2017 objectives .....	21
C.3 Financial review .....	22
C.3.1 Income statement.....	22
C.3.1.1 Operating Margin .....	22
C.3.1.2 Operating margin before depreciation and amortization .....	22
C.3.1.3 Other operating income and expenses .....	23
C.3.1.4 Net financial expense .....	24
C.3.1.5 Corporate tax .....	24
C.3.1.6 Normalized net income .....	24
C.3.1.7 Half year Earning Per Share .....	24



C.3.2	Cash Flow .....	25
C.3.2.1	Financing policy .....	26
C.3.3	Parent company results .....	26
C.4	Interim condensed consolidated financial statements .....	27
C.4.1	Interim condensed consolidated income statement.....	27
C.4.2	Interim condensed consolidated statement of comprehensive income .....	28
C.4.3	Interim condensed consolidated statements of financial position .....	29
C.4.4	Interim condensed consolidated cash flow statement.....	30
C.4.5	Interim condensed consolidated statement of changes in shareholder’s equity ..	31
C.4.6	Appendices to the interim condensed consolidated financial statements .....	32
C.4.6.1	General information .....	32
C.4.6.2	Accounting rules and policies.....	32
C.4.7	Notes to the consolidated financial statements.....	35
C.5	Statutory Auditors’ Review Report on the half-yearly financial information for the period from January 1 to June 30, 2017 .....	48
D	Risk factors.....	49
D.1	Evolution of the TrustSeed Litigation.....	49
E	Corporate governance .....	50
E.1	Office renewals .....	50
E.2	Composition of the Board of Directors.....	50
E.3	Composition of the Committees of the Board of Directors .....	50
E.4	Combined General Meetings held on 2017 .....	51
E.4.1	Combined General Meeting held on May 24, 2017 .....	51
E.4.2	Combined General Meeting held on July 24, 2017 .....	51
E.5	Executive compensation and shareholding.....	51
E.5.1	Worldline SA performance shares granted to Directors and Senior Executives since January 1, 2017 .....	51
E.5.2	Other attribution of Worldline SA performance shares since January 1, 2017 ....	54
E.5.3	Worldline SA stock subscription options definitely acquired by the Directors and Senior Executives since 1 January 2017.....	54
E.5.4	Worldline SA stock subscription options exercised since 1 January 2017.....	54
E.5.5	Atos SE stock subscription options exercised since 1 January 2017 by the Directors - AMF Table 5 .....	54
E.5.6	Atos SE performance shares awarded to the Directors and Senior Executives since January 1, 2017 – AMF table 6 .....	55
E.5.7	Performance shares available for Directors and Senior Executives since January 1, 2017 – AMF table 7 .....	55
F	Common stock evolution.....	56
F.1	Basic data .....	56
F.1.1	Information on stock .....	56
F.1.2	Free float .....	56
F.2	Share capital as at June 30, 2017 .....	57
F.3	Other Securities Giving Access to Share Capital .....	57

F.3.1	Stock-option plans .....	57
F.3.2	Performance share plans .....	57
F.3.3	Current authorizations to issue shares and other securities.....	58
F.4	Shareholders' agreement .....	60
F.5	Key subsequent trading events .....	61
G	Financial calendar and contacts .....	63
G.1	Financial calendar.....	63
G.2	Contacts .....	63
H	Full index.....	64