



2016 results

Operational review
Financial review
Consolidated financial statements

DISCLAIMER

Worldline consolidated and statutory financial statements for the year ended December 31, 2016, were approved by the Board of Directors on February 21, 2017. Audit procedures on these financial statements have been performed by the statutory auditors and their audit reports will be issued after the completion of the specific verifications required by French law and of procedures for the purposes of the Registration Document filing.

This document contains further forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and profitability in the future. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the 2015 Registration Document filed with the Autorité des Marchés Financiers (AMF) on April 28, 2016 under the registration number: R.16-031 and its update filed on August 4, 2016 under the registration number D.16-0288-A01.

A OPERATIONAL REVIEW

A.1 SIGNIFICANT EVENT OF THE YEAR

After the completion of the regulatory processes in the Netherlands, in Belgium and in the Czech Republic, the transactions with Equens, Paysquare and KB Smartpay were finalized on September 30, 2016.

Transaction with Equens and Paysquare

It is reminded that transaction with Equens and Paysquare was made of two components:

- Regarding Financial Processing activities, the Financial Processing businesses of Worldline¹ have been merged with Equens. This merger resulted in the creation of equensWorldline, owned by Worldline at 63.6% and by the former shareholders of Equens at 36.4%. The company equensWorldline is consolidated within the Group's Financial Services division from October 1st, 2016.
- Regarding Merchant Services, Worldline has acquired from Equens its commercial acquiring subsidiary Paysquare for an enterprise value of € 72 million in cash, funded by the existing available cash balance of the Group. Paysquare is fully consolidated in the Group's Merchant Services & Terminal division from October 1st, 2016.

equensWorldline was fully ready to start its operations on October 1, 2016 as an integrated company. The synergy plan has been launched immediately and the objective of c.€ 40 million run-rate synergy on the Group's OMDA in 2018 is fully confirmed, out of which c.€ 20 million in 2017.

Acquisition of Komerčni banka (KB Smartpay)

The group has completed the agreement with Komerčni banka (KB), subsidiary of the Société Générale group and one of the leading banks in the Czech Republic, to further develop product and services for the Czech merchants.

Under the terms of the agreement, Worldline has acquired, as a first stage, 80% of Cataps s.r.o. ("Cataps"), a 100% subsidiary of the Komerční banka banking group, based on an enterprise value of € 34 million for 100%. Cataps was established in 2014 and has assumed activities of Komerčni banka in credit and debit card payment processing services (merchant acquiring). Cataps is fully consolidated in the Group's Merchant Services & Terminal division from October 1st, 2016

As part of this agreement, Worldline and Komerčni banka have in addition signed an 10 year commercial alliance for the development and the growth of these activities in the Czech Republic

Through these transactions, the enlarged Worldline Group benefits from a unique Pan-European footprint and has increased its revenue size on a full year basis by c.+25%, out of which c.+40% in Commercial Acquiring and c.+65% in Financial Processing.

With these acquisitions, the business perspectives of Worldline broaden with a significantly reinforced product portfolio, a larger geographical footprint and the additional expertise of c. 1,300 electronic payment experts.

A.2 EXECUTIVE SUMMARY

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

¹ Except for Financial Processing businesses in Asia and in Spain

impacted by the termination of two historical contracts.

Merchant Services & Terminals, which represented 33.6% of Worldline's revenue in 2016, grew by **+7.3%** organically and reached **€ 439.6 million**. This performance was mostly due to a double digit growth in *Commercial Acquiring* driven by higher transaction volumes, good operational performances, and positive price/volume mix effects in Benelux as well as by the good dynamism of the Group's business in India. Sales of *Payment Terminals* grew very satisfactorily as well, thanks to commercial successes in the Netherlands, in Germany and with resellers on international markets. Revenue in *Private Label Cards & Loyalty Services* was impacted by lower Digital Self Service kiosks sales in the UK.

Representing 38.2% of Worldline revenue in 2016, **Financial Services** revenue reached **€ 500.0 million** growing by **+4.9%** at constant scope and exchange rates. This performance was mainly driven by *Acquiring processing* activities, thanks to increased run revenue. Sales in *Issuing processing* increased as well, driven by Authentication and Fraud services, as well as by good volume growth on core card issuing activities. *Digital banking* benefited from the new contract signed with NS&I in the UK. In the *Account Payments* division, the solid volume growth of SEPA transactions, in particular on the iDEAL platform, was offset by less project activity compared with last year.

Revenue in **Mobility & e-Transactional Services**, which represented 28.2% of Worldline's revenue in 2016, was **€ 369.6 million**, declining by -2.5% organically. As previously communicated, *e-Government collection* was impacted by the termination of both the automated traffic offence management system (the RADAR contract) in France in June 2016 and of the VOSA contract in the UK public sector, which occurred at end of Q3 2015. Excluding the negative comparison effect arising from those contract terminations, the growth rate of Mobility & e-Transactional Services was above +15%. This performance could be achieved thanks:

- To a double digit growth in *e-Consumer & Mobility* activities, with several new contracts signed and projects ramp-up mainly in France and in Germany;
- To very dynamic *E-Ticketing* activities, with increased project delivery with railways companies in the UK and higher activity in Latin America;
- To solid *e-Government collection* business activity, notably in healthcare and tax collection services in Latin America, and more project work delivered with French and European government agencies.

Revenue grew in all **geographies** except the United Kingdom (-13.8%), which was impacted by the termination as planned of the VOSA contract aforementioned. Revenue in Emerging markets (Latin America and Asia) increased by +16.1%, followed by Belgium (+9.2%), Rest of Europe (Finland, the Netherlands, Italy and Spain) by +8.5%, and Germany & Central and Eastern Europe (+4.5%). Revenue in France was stable (+0.3%) despite the termination of the Radar contract in June 2016.

As a percentage of revenue, Worldline's Operating Margin before Depreciation and Amortization ("**OMDA**") increased by **+90 basis points** ("bp") or €+20.0 million and reached **€ 258.7 million (19.8% of revenue)** compared with 2015, exceeding the objectives of the year. This improvement was recorded mainly in the Merchant Services & Terminals division (+340 basis points), thanks to growing volumes and favorable pricing mix mainly in Belgium as well as a margin improvement in the UK on private label cards contracts. In Financial Services (+160 basis points), increasing volumes in card processing led to margin improvement, while the division continued to invest in security infrastructure and exercised effective cost control over the new Equens perimeter. Mobility & e-Transactional Services new revenue, that almost offset the two terminated contracts, was generated with a lower operating margin (-240 basis points).

The **backlog** at the end of December 2016 amounted to **€ 2.6 billion**. It includes the backlog acquired from Equens on October 1, 2016, reflecting mainly the application of the group's reporting definitions to the commercial contracts with equensWorldline's banking shareholders.

The **total number of employees** was **8,725** at the end of December 2016 compared with 7,354 at the end of December 2015, representing an increase of +1371 employees over the year, out of which +1279 employees joining from Equens, Paysquare and KB Smartpay on October 1st, 2016. The Direct hirings amounted to 808 employees, out of which 80% aged 35 or younger. Attrition rate (voluntary leavers) remained low at 5.9%, slightly reducing compared to last year.

A.3 STATUTORY TO CONSTANT SCOPE AND FOREIGN EXCHANGE RATES RECONCILIATION

For the analysis of the Group's performance, revenue and OMDA for 2016 is compared with 2015 revenue and OMDA at constant scope and foreign exchange rates.

Reconciliation between the 2015 reported revenue and 2015 revenue at constant scope and foreign exchange rates, per Global Business Line and by geography, is presented below:

<i>In € million</i>	Revenue				
	FY 2015 (Statutory)	Scope effect	Exchange rates effect	FY 2015*	FY 2016 actuals
Merchant Services & Terminals	401.9	+13.0	-5.5	409.5	439.6
Financial Services	413.8	+65.3	-2.3	476.8	500.0
Mobility & e-Transactional Services	411.3	-2.2	-30.1	378.9	369.6
Worldline	1,227.0	+76.1	-37.9	1,265.2	1,309.2

* At constant scope and 2016 exchange rates

<i>In € million</i>	Revenue				
	FY 2015 (Statutory)	Scope effect	Exchange rates effect	FY 2015*	FY 2016 actuals
France	427.3	+0.0		427.3	428.5
Belgium	327.5	+0.9		328.3	358.5
Germany / CEE	128.8	+23.4		152.2	159.0
UK	161.4		-17.6	143.8	124.0
Emerging markets	120.0		-20.3	99.7	115.7
Rest of Europe	62.0	+51.9		113.9	123.6
Worldline	1,227.0	+76.1	-37.9	1,265.2	1,309.2

* At constant scope and 2016 exchange rates

Reconciliation between the 2015 reported OMDA and 2015 OMDA at constant scope and foreign exchange rates, per Global Business Line, is presented below:

<i>In € million</i>	OMDA				
	FY 2015 (Statutory)	Scope effect	Exchange rates effect	FY 2015*	FY 2016 actuals
Merchant Services & Terminals	77.8	+1.0	-0.2	78.6	99.3
Financial Services	107.7	+9.7	-0.6	116.8	130.6
Mobility & e-Transactional Services	68.3		-6.5	61.8	51.5
Corporate costs	-18.5			-18.5	-22.6
Worldline	235.3	+10.7	-7.3	238.7	258.7

* At constant scope and 2016 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 and OMDA for the fourth quarter of 2015 are included in the 2015 revenue and OMDA at constant scope and exchange rates, for a like-for-like comparison with 2016.

Exchange rate effects reflect mostly the appreciation of the Euro versus the British Pound and the Argentinian Peso.

The 2015 figures presented in this document are based on the constant scope and foreign exchange rates data.

A.4 REVENUE PROFILE EVOLUTION

Worldline's revenue profile changed in 2016, reflecting:

- The increase in scope, from Q4 2016, of Financial Services from the acquisition of Equens;
- The increase in scope of Merchant Services & Terminals, from Q4 2016 as well, from the acquisition of Paysquare and KB Smartpay; and
- The termination of the Vosa and Radar contracts in Mobility & e-Transactional Services.

Consequently, Financial Services is now the largest Global Business Line, representing 38.2% of revenue. Payments activities for merchants and banks accounted for c.72% of the 2016 Group's revenue.

<i>In € million</i>	Revenue		
	FY 2016	FY 2015*	% of Total
Merchant Services & Terminals	439.6	409.5	33.6%
Financial Services	500.0	476.8	38.2%
Mobility & e-Transactional Services	369.6	378.9	28.2%
Worldline	1,309.2	1,265.2	100.0%

* At constant scope and 2016 exchange rates

Europe remained Worldline's main operational base, generating c.91% of total revenue in 2016.

<i>In € million</i>	Revenue		
	FY 2016	FY 2015*	% of Total
France	428.5	427.3	32.7%
Belgium	358.5	328.3	27.4%
Germany / CEE	159.0	152.2	12.1%
UK	124.0	143.8	9.5%
Rest of Europe	123.6	113.9	9.4%
Emerging markets	115.7	99.7	8.8%
Worldline	1,309.2	1,265.2	100.0%

* At constant scope and 2016 exchange rates

A.5 PERFORMANCE BY GLOBAL BUSINESS LINE

In € million	Revenue			OMDA		OMDA %	
	FY 2016	FY 2015*	% Growth	FY 2016	FY 2015*	FY 2016	FY 2015*
Merchant Services & Terminals	439.6	409.5	+7.3%	99.3	78.6	22.6%	19.2%
Financial Services	500.0	476.8	+4.9%	130.6	116.8	26.1%	24.5%
Mobility & e-Transactional Services	369.6	378.9	-2.5%	51.5	61.8	13.9%	16.3%
Corporate Costs				-22.6	-18.5	-1.7%	-1.5%
Worldline	1,309.2	1,265.2	+3.5%	258.7	238.7	19.8%	18.9%

* At constant scope and 2016 exchange rates

A.5.1 MERCHANT SERVICES & TERMINALS

In € million	Merchant Services & Terminals		
	FY 2016	FY 2015*	% Growth
Revenue	439.6	409.5	+7.3%
OMDA	99.3	78.6	
% OMDA	22.6%	19.2%	+3.4 pt

* At constant scope and 2016 average exchange rates

Revenue

Merchant Services & Terminals revenue was **€ 439.6 million** and increased by €+30.1 million or **+7.3%** compared to last year.

- Revenue in *Commercial Acquiring*, the main activity of this GBL, grew at a double digit rate thanks to the combination of various positive factors:
 - In Benelux, *Commercial Acquiring* revenue was boosted by increase in number of transactions (+7.6%, of which +7.4% in physical commerce and +13.9% in e-commerce) and by positive price/volume mix effects for both BCME (Belgium local debit scheme) and international brands transactions.
 - Outside Benelux, growth accelerated significantly in India notably after the government decision to demonetize the 500 and 1000 rupees bank notes in November, which accelerated the existing trends for card penetration across India and consequently the deployment of payment terminals. As a result, the payment terminals base under management increased by more than +40% year-on-year. Strong growth was also recorded in value-added services such as DCC (Dynamic Currency Conversion).
- Sales of *Payment Terminals* strongly grew with number of payment terminals shipped reaching 214,000 units, progressing by c.+44% year-on-year. This performance reflects the success of Worldline products in newly penetrated international markets and in Germany. Sales also progressed in Benelux, the historical market of the Company for payment terminals.
- Revenue in *Private Label cards & Loyalty Services* business line was impacted by a decrease in sales of Digital Self Service kiosks in the UK and by lower revenue in fuel card contracts in India and in France.
- In *Online services*, despite the increase in number of transactions processed on the SIPS internet platform, revenue declined due to less project activity compared with 2015.

Integration of Paysquare and KB Smartpay

The integration of Paysquare and KB Smartpay is well on track. The commercial offerings and processes are being harmonized and the processing activities are being progressively consolidated into a single platform, so as to deliver as soon as 2017 the expected revenue and cost synergies.

OMDA

Merchant Services & Terminals' OMDA was up by **+340 basis points** in FY 2016 compared to 2015 and reached **€ 99.3 million** or 22.6% of revenue. Key reasons for this increase were:

- Volume growth and positive price/volume mix effect in *Commercial Acquiring* for both BCMC and International brands transactions processed in Belgium;
- The very good dynamism of the *Commercial Acquiring* business in India thanks to the strong terminal base growth and to value added services (e.g. Dynamic Currency Conversion - DCC); and
- Margin recovery in the Merchant Network in the UK and productivity gain in Iberia in *Private Label Cards*.

A.5.2 FINANCIAL SERVICES (FORMER "FINANCIAL PROCESSING & SOFTWARE LICENSING")

<i>In € million</i>	Financial Services		
	FY 2016	FY 2015*	% Growth
Revenue	500.0	476.8	+4.9%
OMDA	130.6	116.8	
% OMDA	26.1%	24.5%	+1.6 pt

* At constant scope and 2016 average exchange rates

Following the integration of Equens on October 1, 2016, the Global Business Line Financial Processing & Software Licensing was reorganized into four new divisions and changed its name to "Financial Services".

The key changes related to:

- The reallocation of revenue previously reported as *Payment Software Licensing* into *Issuing Processing* or *Acquiring Processing* depending on the nature of the software licenced;
- The reclassification of revenue from the processing of SEPA direct debit and credit transfer transactions from *Online Banking* to a new business line "*Acoount & Payments*"
- The renaming of *Online banking* to *Digital banking*

Revenue

In 2016, **Financial Services** revenue was **€ 500.0 million**, up €+23.3 million or **+4.9%** compared to 2015.

- Revenue in *Acquiring Processing* grew double digit as a result of good volume growth for Authorization processing in France and increased project activity in Germany.
- Business grew in India as well, boosted by the demonetization of currency bills in November, which participated in the increase of above +40% in number of point of sale terminals managed.

- Growth in *Issuing processing* was mainly driven by
 - Authentication services for mobile/internet payments in France, Belgium and Germany (ACS, 3D secure, Trusted Authentication, wallets);
 - Good volume growth in the core issuing activities, notably on credit card services and in Fraud services in Belgium;
 - Expansion in APAC; and
 - Contract ramp-up in the Nordics.
- *Online banking* grew, mainly thanks to the ramp-up of the NS&I contract in the UK as well as to more mobile banking projects for French banks.
- The business line *Account & Payments* was quasi stable, with volume growth being offset by less project work compared with last year in Germany.

Integration activities at equensWorldline

Integration activities at equensWorldline have been focused during the fourth quarter of 2016 on 18 work streams and showed a very satisfactory start, with already a few streams running ahead of schedule, fully securing the ambition to deliver c.€40 million of run-rate OMDA synergies in 2018, of which half in 2017.

OMDA

Financial Services reached an **OMDA** of 26.1% (**€ 130.6 million**), **+160 basis points** compared to 2015, mainly thanks to authorizations volume growth in the Acquiring business division and more authentication volumes in the Issuing business line, as well as some early synergies.

A.5.3 MOBILITY & E-TRANSACTIONAL SERVICES

<i>In € million</i>	Mobility & e-Transactional Services		
	FY 2016	FY 2015*	% Growth
Revenue	369.6	378.9	-2.5%
OMDA	51.5	61.8	
% OMDA	13.9%	16.3%	-2.4 pt

* At constant scope and 2016 average exchange rates

Revenue

Mobility & e-Transactional Services revenue reached **€ 369.6 million** declining by €-9.4 million or -**2.5%** compared to 2015. *e-Government collection* was impacted by the termination of both the automated traffic offence management system (the RADAR contract) in France in June 2016 and by the VOSA contract in the UK public sector, which occurred at end of Q3 2015 and therefore affected the comparison basis for the first three quarters of the year. Excluding that effect, the growth of MeTS would have exceeded +15% in 2016. This performance could be achieved thanks:

- To double digit growth recorded in *e-Government Collection*, particularly in Argentina with healthcare transactional services and Tax Collection activities and in France, with more revenue from various projects with French and European government agencies;
- To a double digit growth in *e-Consumer & Mobility* explained by:
 - Contact activities in France, with the full-year impact of Cdiscount contract and the ramp-up of other contracts such as Numericable;
 - Connected Living, with notably more revenue in France from the Renault contract and in Germany;
- To a strong growth in *e-Ticketing*, benefiting from good dynamic on its two main markets :
 - The UK, where the new Onboard Ticketing solution (MTIS) was rolled out for several customers;
 - Latin America, where Worldline benefited from volumes ramp-up and price increases.

OMDA

Mobility & e-Transactional Services OMDA reached **€ 51.5 million** or 13.9% of revenue, decreasing by **-240 basis points**. The profitability of the Global Business Line was indeed impacted by the end of two mature contracts (RADAR & VOSA), which were partly substituted by new business consisting of project activities and ramping-up volumes with, as usual, a temporary lower profitability.

A.6 PERFORMANCE BY GEOGRAPHY

The primary operating segments of the Group are the Global Business Lines ("GBLs"). The secondary axis is by geography, for which revenue is presented below.

The revenue presented in one geography can refer to sales or services rendered in different countries or regions (for example, most of the sales of payment terminals worldwide is reported under Benelux revenue).

<i>In € million</i>	Revenue			
	FY 2016	FY 2015*	Var	% Var.
France	428.5	427.3	1.2	0.3%
Belgium	358.5	328.3	30.1	9.2%
Germany / CEE	159.0	152.2	6.8	4.5%
UK	124.0	143.8	-19.9	-13.8%
Rest of Europe	123.6	113.9	9.7	8.5%
Emerging markets	115.7	99.7	16.0	16.1%
Worldline	1,309.2	1,265.2	44.0	3.5%

* At constant scope and 2016 exchange rates

France posted revenue of **€ 428.5 million**, slightly positive (**+0.3%**) compared with last year, with contrasted evolutions between the 3 Global Business Lines:

- Most of the growth came from Financial Services, with solid volume growth in Acquiring Processing;
- Mobility & e-Transactional Services succeeded in more than compensating the effect of the termination of the Radar contract from the second half of 2016, with a double digit growth in Connected Living and Contact offers
- Merchant Services & Terminals was impacted by less projects in e-Commerce during the first half of the year but resumed growth during the second semester.

Belgium had revenue of **€ 358.5 million** in 2016, up **+9.2%**. This growth is the result of the following:

- Merchant Services & Terminals grew double digit, thanks to a strong increase of transaction volumes and positive price/volume mix impacts in Commercial Acquiring as well as strong sales of Payment Terminals, in particular to the network of international resellers.
- Sales in Financial Services increased driven by volume growth in Issuing Processing.

In **Germany and CEE**, revenue amounted to **€ 159.0 million** in 2016, representing an organic growth of **+4.5%**.

- Most of the revenue increase was recorded in Merchant Services & terminals with a strong double digit increase in Commercial Acquiring and Terminals sales;
- Sales of Mobility & e-Transactional Services were also positively oriented, notably through machine-to-machine (M2M) connectivity projects;
- Last, Financial Services slightly grew driven by Acquiring Processing activities.

UK revenue in 2016 was **€ 124.0 million**, down by €-19.9 million or **€-13.8%**, mainly due to the end of the VOSA contract on which revenue was recorded in 2016 for c.€ 24 million. Excluding the effect of that contract termination, sales rose by more than +3% mainly thanks to a solid growth in e-Ticketing, with the roll out of the MTIS solution for several customers.

Revenue in **Rest of Europe** (Finland, the Netherlands, Italy and Spain) grew by **+8.5%** and reached **€ 123.6 million**, driven by Acquiring Processing activities in Italy and good activity in Merchant Services & Terminals in the Netherlands.

Last, in **Emerging markets (€ 115.7 million, +16.1%)**:

- The **Asia** region posted a double digit revenue growth year-on-year, driven by Commercial acquiring and processing activities boosted by the recent demonetization measures in India, and positive momentum in APAC;
- **Latin America** grew double digit as well, thanks to growth in e-Government Collection contracts in Argentina and e-Ticketing activities in Argentina and Chile.

A.7 COMMERCIAL ACTIVITY

A.7.1 MAIN SIGNATURES

2017 Commercial activity was satisfactory, particularly in terms of new customers gained and new solutions sold to existing customers. Main achievements per Global Business Lines are presented thereafter. These signatures confirm the quality of the product roadmap of the Company and perfectly illustrate its growth strategy, which is based, beyond the secular growth trends of non-cash payment in Europe, on international expansion of value added solutions and innovation.

Merchant Services & Terminals

The commercial activity in Merchant Services & Terminals was dynamic in 2016. In Commercial Acquiring, Worldline maintained its market leader position in Benelux and notably promoted card payment for low value purchases, which increased by over 30% since the introduction of a specific pricing structure, and extended all major contracts with retailers in Belgium and in the Netherlands. The Payment Terminal division confirmed its positive momentum, with new retail customers in France and in the Netherlands, as well as the renewals of major contracts with Dutch banks. In Online Services, a number of new contracts were signed with various large enterprises and governmental institutions in France. The commercial successes of Worldline omni-channel solutions included in particular the implementation of digital retail concepts and of merchant wallet solutions with several large European retailers or brands.

Financial Services

Key commercial successes of Financial Services in 2016 included the win of several new clients such as Degussa Bank in Germany for payment back-office processing, as well as the renewal and extension of key contracts in the Group's home markets across Europe. In this respect:

- In December 2016, the card processing contract with the Finnish bank OP was extended until 2025 and a new contract was signed for the outsourcing of the bank's cardholder customer service. Also, Danske Bank chose Worldline's ACS solution to secure e-commerce with 3D-Secure in Denmark, Sweden, Finland, Norway and the United Kingdom. These two contracts further strengthen Worldline's footprint in the Nordic market;
- The iDEAL processing contract with ING was extended as well, with more complete iDEAL functionalities combined with electronic identity services for the Dutch community (iDIN). Through this deal, equensWorldline has positioned itself as a trusted supplier of these functionalities and is confident its technologies will also be of interest to other Dutch banking groups;
- Capitalizing on an existing client relationship, the Group has won the ATM Global Management contract for a French bank.

The Group's ambition to support financial institutions in their digital transformation was reconfirmed by the extension of the business relationship with Sparda-bank for six years, with the aim to develop further digital services for customers. Beyond Europe, the payments security services business achieved further growth with Philippine's EastWest Bank choosing the Group's ACS solution and the launch of a prepaid currency card solution by the Bank of Bhutan.

In the broader sense of innovation, the mobile payments services have shown good progress with a further HCE launch and a pilot for mobile person to person ("P2P") payments. Furthermore, Worldline's Instant Payments solution has shown good traction in continental Europe. To secure further future growth, the Group went into production of phase 1 for its development programs "Virtual Accounts" and "Payments 2.0". The Group reached a new innovative milestone by launching an API (Application Programming Interface) developer portal, which will accelerate the time-to-market for clients and supports co-creation of products, services and solutions.

Mobility & e-Transactional Services

Commercial activity in Mobility & e-Transactional Services has been solid in 2016, with a high level of new business signed (new customers or new services sold to existing customers). Indeed, significant new contracts were signed in 2016 and include in particular:

- In e-Consumer & Mobility:
 - The provision of a omni-channel Cloud Contact solution for a large French bank: Worldline will provide a solution in the cloud including voice, chat, email and video as well as a cutting edge semantic search service, allowing real time access to various banking services including payment services;
 - The extension of the current B/S/H "Home Connect" program to two new strategical geographies in an enlarged scope in order to connect tens of millions of B/S/H appliances.
- In e-Ticketing, the Group will implement for a city in Germany a state of the art ticketing retail system according to German regulation and eTicketing standard. 800 million passengers will be served by the connected transport companies per annum through 6 public transport companies operating in major German cities. The solution covers the provision of ticketing services, as well as the related accounting and payment.
- In e-Government Collection, Worldline's digital identity suite "ID Center" was deployed in various clinics and private companies, and a Trusted Digitization solution was sold to GIP Renater in France, for which Worldline will build and run a very large secured personal document access platform for middle and high school students. Trusted Digitization's core products include Digital Signature, Digital Preservation and Digital Identity. Those offerings allow Worldline to deliver digital transformation projects, from e-contracts to national digital ID schemes.

Backlog and commercial perspectives

The **backlog** at the end of December 2016 amounted to **€ 2.6 billion**. It includes the backlog acquired from Equens on October 1, 2016, reflecting mainly the application of the group's reporting definitions to the commercial contracts with equensWorldline's banking shareholders.

Commercial perspectives are solid, with several large contracts expected to be signed in the next few quarters, particularly around Digital Platform/Transformation in Merchant Services, Issuing Processing and ATM management in Financial Services as well as Connected Living offers and e-Ticketing in Mobility & e-Transaction Services.

A.7.2 BACKLOG AND COMMERCIAL PERSPECTIVES

The **backlog** at the end of December 2016 amounted to **€ 2.6 billion**. It includes the backlog acquired from Equens on October 1, 2016, reflecting mainly the application of the group's reporting definitions to the commercial contracts with equensWorldline's banking shareholders.

Commercial perspectives are solid, with several large contracts expected to be signed in the next few quarters, particularly around Digital Platform/Transformation in Merchant Services, Issuing Processing and ATM management in Financial Services as well as Connected Living offers and e-Ticketing in Mobility & e-Transaction Services.

A.8 HUMAN RESOURCES

A.8.1 HEADCOUNT EVOLUTION

At the end of 2016 Worldline employed 8,725 employees representing an increase of +1,371 employees compared with a January opening at 7,354, out of which 1279 employees from Equens, Paysquare and KB Smartpay having joined the company on October 1, 2016.

Headcount movements in 2016 are detailed by nature and country here below:

Headcount movements in 2016 by nature and geography

Headcount	Opening JAN-16	Scope effects	Hiring	Leavers	Dismiss / Restruc	Other	Closing DEC -16	Changes	%
France	2,727	+0	+212	-113	-14	-43	2,769	+42	+1.5%
Belgium	1,034	+3	+114	-54	-23	+0	1,074	+40	+3.9%
Germany / CEE	815	+423	+59	-24	-3	-5	1,265	+450	+55.2%
UK	576	+0	+48	-59	-36	-15	514	-62	-10.8%
Rest of Europe (NL, Spain, Italy, Finland)	525	+853	+72	-20	-38	-9	1,383	+858	+52.9%
Emerging markets (LATAM + Asia)	1,077	+0	+256	-138	-41	-27	1,127	+50	+4.6%
Direct	6,754	+1279	+761	-408	-155	-99	8,132	+1378	+20.4%
Indirect	600	+0	+47	-47	-3	-4	593	-7	-1.2%
Total (D+I)	7,354	+1279	+808	-455	-158	-103	8,725	+1371	+18.6%

The Direct hirings included 80% of juniors aged 35 or younger.

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).

The number of indirect employees does not include yet the reclassification of part of Equens, Paysquare and KB Smartpay staffs to indirect.

Direct headcount evolution compared with the opening:

France:

Overall, Worldline France staff increased by **+42 employees**. Recruitments amounted to 212 staff over the period. Worldline France reinforced mainly two teams: the "Connected Living" team in the Mobility & eTransactional Services Global Service Line and the Identity, Trust and Authentication center within Financial Services. Resources that use to work on the Radar contract, which was terminated in June 2016, were successfully re-deployed to new projects.

Belgium:

Worldline Belgium staff increased by **+40 employees** in 2016. Worldline Belgium hired 114 employees. Half of these recruitments aimed at compensating the 54 leavers. The other recruitments replaced subcontractors, therefore contributing to the objective of the group to limit the use of external contractors, and reinforced the Customer Relations teams in "Merchant Services and Terminals" business line.

Germany & CEE:

Worldline Germany & CEE staff grew by **+450 employees** over the year. The integration of Equens, Paysquare and KB Smartpay into Worldline increased the headcount by +423 employees, out of which 353 employees in Germany, 22 in Poland and 48 in the Czech Republic. 59 employees joined Germany & CEE in 2016. 25% of all recruits were former interns.

UK:

Worldline UK direct staff decreased by **-62 employees**, out of which 48 new hires, 59 resignations, 36 dismissals in the context of a realignment of the teams in the rail activities and 15 retirements/ends of temporary contract/agreed terminations of contracts.

Rest of Europe (Finland, the Netherlands, Italy, Spain) :

Worldline staff in the Netherlands, Spain, Italy and Finland increased by **+858 employees**, mainly due to the integration of Equens (+853 employees: in the Netherlands with +611 employees, in Italy with +231 employees and in Finland, with +11 employees). The other staff movements include 72 hirings, which compensated 20 resignations, 38 dismissals and 9 departures for other reasons.

Emerging markets (Latin America, India & APAC):

Worldline staff in the emerging countries increased by **+50 employees** in 2016. 256 new employees were hired.

- Worldline **Latam** staff slightly increased by **+7 employees**. 31 employees joined Worldline in 2016 and 24 left the company (12 resigned and 12 were dismissed).
- Worldline **Asia** recruited 225 direct employees, while 182 staff left the company (126 resignations, 29 dismissals and 27 left for other reasons). The increase in staff in Asia (**+43 employees**) reflected the business growth in India, where 149 employees were recruited.

Indirect headcount evolution compared with the opening:

Indirect (-7 headcounts): All hirings of indirect staff (+47) are in line with the replacements of leavers. 47 employees resigned, 3 were dismissed, 4 left for other reasons (retirement, decease, agreed terminations of contracts). The number of indirect staff does not include yet the reclassification of part of Equens, Paysquare and KB Smartpay staffs to indirect.

A.8.2 ATTRITION

The voluntary attrition rate (YTD) for Direct employees reached a level of **-5.8%** at the end of December 2016. Overall voluntary attrition rate was **-5.9%** for the same period, slowing down from 2015 (-6.2%).

Country	Attrition
France	-4.1%
Belgium	-5.1%
Germany / CEE	-2.6%
UK	-10.9%
Rest of Europe	-2.8%
Emerging markets	-12.5%
Direct	-5.8%
Indirect	-7.8%
Total (D+I)	-5.9%

A.8.3 EXTERNAL SUBCONTRACTORS

The number of external subcontractors (including onshore and offshore resources) decreased from 574 FTE (full time equivalent) at the end of 2015 to 549 FTE at the end of 2016. The acquisition of Equens, Paysquare and KB added 195 new external FTEs to these 549 FTEs.

The overall number of external subcontractors consequently reached **744 FTEs**, which represents **8.1% of the productive FTEs** at the end of 2016, slightly increasing compared with 2015 (7.4% at the end of last year).

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

A.9 2017 OBJECTIVES

Revenue

The Group expects to achieve an organic growth of its revenue, at constant scope and exchange rates, of **approximately +3.5% for the full year**, with H2 2017 at +5% to +7%.

OMDA

The Group targets an OMDA margin between 20.0% and 20.5%.

Free cash flow

The Group has the ambition to generate a free cash flow of between **€ 160 million and € 170 million**, including c.€20 million of synergy implementation costs

B FINANCIAL REVIEW

B.1 Income Statement

The Group reported a net income (attributable to owners of the parent) of € 144.2 million for the full year 2016 (€ 103.4 million for the full year 2015), which represented 11.0% of Group revenues for the period. The normalized net income before unusual and infrequent items (net of tax) for the period was € 129.2 million, representing 9.9% of revenues compared to € 119.9 million in 2015.

B.1.1 Reconciliation from operating margin to net income

(In € million)	12 months ended 31 December 2016	% Margin	12 months ended 31 December 2015 (**)	% Margin
Operating margin	196.6	15.0%	177.9	14.5%
Other operating income/(expenses)	13.3		(29.8)	
Operating income	210.0	16.0%	148.1	12.1%
Net financial income/(expenses)	(5.9)		(5.9)	
Tax charge	(53.7)		(38.8)	
Non-controlling interests and associates	(6.2)		-	
Net income – Attributable to owners of the parent	144.2	11.0%	103.4	8.4%
Normalized net income – Attributable to owners of the parent (*)	129.2	9.9%	119.9	9.8%

(*) Defined hereafter.

(**) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

B.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 analysed in the operational review.

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015 (*)	Variation
Operating margin	196.6	177.9	18.7
+ Depreciation of fixed assets	54.6	50.8	3.8
+ Net book value of assets sold/written off	7.3	0.7	6.6
+/- Net charge/(release) of pension provisions	3.0	5.2	(2.2)
+/- Net charge/(release) of provisions	(2.8)	0.6	(3.4)
OMDA	258.7	235.3	23.4

(*) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

Change in free cash flow and operating margin new definition

The Group decided to change the "free cash flow" and "operating margin" definitions by excluding equity based compensation effects from the calculation of financial performance, in line with sector practice.

As such, Group free cash flow excludes proceed from equity based compensation and the amortization cost of equity based compensation plans is excluded from the "operating margin" and presented in "other operating income and expenses". This change of presentation has been applied retroactively to the period presented and as a consequence of this reclassification, in 2015 "operating margin" has been increased by € 3.0 million.

B.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 income of € 13.3 million in 2016. The following table presents this amount by nature:

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015 (*)
Staff reorganization	(4.5)	(6.6)
Rationalization and associated costs	(4.5)	(6.2)
Integration and acquisition costs	(9.9)	(7.2)
Customer relationships and patents amortization	(6.1)	(3.5)
Other items	38.4	(6.3)
Total	13.3	(29.8)

(*) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

Staff reorganization expenses of € 4.5 million decreased by € 2.1 million compared to last year and correspond to the restructuring costs induced by the adaptation of the organization mainly in the United Kingdom, France and the Netherlands.

The € 4.5 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 and Belgium. Those costs have decreased by € 1.7 million compared to 2015.

Integration and acquisition costs reached € 9.9 million (increase of € +2.7 million compared to the prior year) and correspond to the costs related to the execution of the Equens and Paysquare transactions and post acquisition integration costs.

The 2016 **customer relationships amortization** of € 6.1 million corresponds to:

- € 3.5 million related to the portion of the consideration paid allocated to the value of the customer relationships and backlog brought by Banksys and Siemens IT Solutions & Services;
- € 2.5 million of Equens and Paysquare customer relationships amortized over 6.5 to 9.5 years starting October 1st, 2016;
- € 0.1 million of Cataps (KB Smartpay) customer relationships starting October 1st, 2016.

The € + 38.4 million of **other items** mainly consisted of:

- The gain on the Visa share disposal for € 51.2 million (refer to Note 3 "Other significant events of the year")
- The charge of equity based compensation (IFRS 2) for € -6.8 million (refer to Note 7 "Other Operating Income");
- Other non recurring costs for € -6.0 million.

B.1.4 Net financial expense

Net financial expense amounted to € 5.9 million in 2016 and in 2015 and was composed of a net cost of financial debt of € 0.6 million and non-operational financial costs of € 5.3 million.

The net cost of financial debt amounted to € 0.6 million in 2016 compared to € 1.4 million in 2015.

The other financial income / expenses were mainly composed of foreign exchange losses for € 2.9 million and pension financial costs for € 2.0 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for plans which are funded (Cf. Note 21 "Pensions and similar benefits").

B.1.5 Corporate tax

The tax charge at the end of December 2016 was € 53.7 million with a profit before tax of € 204.0 million. The annualized Effective Tax Rate (ETR) was 26.3% (27.3% in 2015).

B.1.6 Normalized net income

The normalized net income excluding unusual and infrequent items (net of tax) is € 129.2 million.

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015 (*)
Net income - Attributable to owners of the parent	144.2	103.4
Other operating income and expenses	13.3	(29.8)
Tax impact on unusual items	1.6	13.3
Total unusual items – Net of tax	15.0	(16.5)
Normalized net income - Attributable to owners of the parent	129.2	119.9

(*) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

B.1.7 Earning per share

The number of shares as at January 1, 2016 was 131,926,588 shares. The weighted average number of shares amounts to 132,102,935 shares for the period. As at the end of December 2016, potential dilutive instruments comprised stock subscription (equivalent to 323,007 options).

(In € million)	12 months ended 31 December 2016	% Margin	12 months ended 31 December 2015	% Margin
Net income [a]	144.2	11.0%	103.4	8.4%
Normalized net income [b] (*)	129.2	9.9%	119.9	9.8%
Average number of shares [c]	132 102 935		131 926 588	
Impact of dilutive instruments	323 007		119 468	
Diluted average number of shares [d]	132 425 942		132 046 056	
(In EUR)				
Basic EPS [a] / [c]	1.09		0.78	
Diluted EPS [a] / [d]	1.09		0.78	
Normalized basic EPS [b] / [c]	0.98		0.91	
Normalized diluted EPS [b] / [d]	0.98		0.91	

(*) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

B.1.8 Cash Flow

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015
Operating Margin before Depreciation and Amortization (OMDA)	258.7	235.3
Capital expenditures	(85.3)	(67.0)
Change in working capital requirement	37.3	11.9
Cash from operation	210.7	180.2
Taxes paid	(39.1)	(29.9)
Net cost of financial debt paid	(0.6)	(1.4)
Reorganization in other operating income	(5.2)	(6.5)
Rationalization & associated costs in other operating income	(4.1)	(6.2)
Integration and acquisition costs	(9.9)	(1.1)
Net financial investments (*)	(1.3)	(1.8)
Other changes (**)	(10.1)	(4.8)
Free Cash Flow	140.4	128.5
Net material (acquisitions)/disposals	(111.0)	-
Capital increase/(decrease)	7.5	-
Payment for acquisition of non controlling interests	-	-
Proceeds from the disposal of the Visa Share	35.6	-
Purchase of shares	-	(2.4)
Dividends paid to owners of the parent	-	-
Change in net cash/(debt)	72.5	126.1
Opening net cash/(debt)	323.3	203.1
Change in net cash/(debt)	72.5	126.1
Foreign exchange rate fluctuation on net cash/(debt)	3.0	(5.9)
Closing net cash/(debt)	398.9	323.3

(*) 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, dividends paid to shareholders, disposal of Visa Share, purchase of shares, impact of foreign exchange rate fluctuation on opening net cash balance, and net acquisitions and disposals, reached € 140.4 million compared to € 128.5 million in 2015 corresponding to an increase of + 9.3%.

Cash From Operations amounted to € 210.7 million and increased by € 30.5 million compared to last year, including the following items:

- OMDA (€+23.4 million),
- Higher capital expenditures (€-18.3 million),
- Higher improvement in change in working capital requirement (€+25.4 million).

OMDA of € 258.7 million, representing an increase of €+23.4 million compared to December 2015, reached 19.8% of revenues against 19.2% of revenues in 2015.

Capital expenditures amounted to € 85.3 million or 6.5% of revenue above the level of 2015 at 5.5%. Main part is related to investment in software platforms through capitalized cost, in connection with the modernization of proprietary technological platforms for € 45.4 million.

The positive **change in working capital requirement** was € 37.3 million. The DSO ratio reached 40 days at the end of December 2016, while the DPO was 70 days as of December 2016.

Cash out related to **taxes paid** reached € 39.1 million increasing by € 9.2 million compared to 2015 (€ 29.9 million). This increase mainly came from advance payments and regularizations in Germany,

France and Belgium.

Net outflow related to **cost of net debt** of € 0.6 million decreased by € 0.8 million compared to the year 2015.

Cash outflow linked to **reorganization costs** represented € 5.2 million.

Integration costs linked to the acquisitions and post acquisition integration costs realized in 2016 reached € 9.9 million.

Net financial investments amounted to € 1.3 million and related mainly to investments in non consolidated companies.

Other changes of € 10.1 million corresponded to:

- Foreign exchange losses and other financials costs for € 3.5 million;
- Other non recurring items for € 6.6 million.

As a result, the **Free Cash Flow (FCF)** generated in 2016 was € 140.4 million.

The **net acquisitions** of €111.0 million represented the net cash effects linked to the acquisitions at the end of September 2016 of Paysquare and Cataps and the cash/debt included in the acquired companies at the date of the closing.

In December 2016, the € 7.5 million **Capital increase** corresponded to:

- The proceeds from the capital increase required for the Boost Employee Share Purchase Plan in February 2016 (€ 3.1 million);
- Issuance of common stock following employee's exercise of stock options issued in September 2014, for € 4.4 million.

The **Proceeds from disposal of the Visa Share** of € 35.6 million 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 positive impact on net cash of € 3.0 million.

B.2 Financing Policy

B.2.1 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. The RCF has a duration until June 26th, 2019, is concluded at customary market conditions and contains no financial covenants.

B.2.2 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.

B.3 Consolidated Income Statement

(In € million)		12 months ended 31 December 2016	12 months ended 31 December 2015 (*)
Revenue	Note 4	1 309.2	1 227.0
Personnel expenses	Note 5	(536.3)	(501.1)
Operating expenses	Note 6	(576.3)	(548.0)
Operating margin % of revenue		196.6 15.0%	177.9 14.5%
Other operating income and expenses	Note 7	13.3	(29.8)
Operating income % of revenue		210.0 16.0%	148.1 12.1%
Financial expenses		(13.6)	(9.5)
Financial income		7.7	3.6
Net financial expenses	Note 8	(5.9)	(5.9)
Net income before tax		204.0	142.2
Tax charge	Note 9	(53.7)	(38.8)
Net income		150.4	103.4
Of which:			
- attributable to owners of the parent		144.2	103.4
- non-controlling interests	Note 11	6.2	-

(in € and number of shares)

Net income - Attributable to owners of the parent			
Weighted average number of shares		132 102 935	131 926 588
Basic earnings per share	Note 12	1.09	0.78
Diluted weighted average number of shares		132 425 942	132 046 056
Diluted earnings per share	Note 12	1.09	0.78

(**) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

B.4 Consolidated statement of comprehensive income

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015
Net income	150.4	103.4
Other comprehensive income		
- to be reclassified subsequently to profit / (loss)	(43.9)	45.9
Cash flow hedging	0.1	-
Change in fair value of available for sale financial assets Note 3	(43.7)	44.9
Exchange differences on translation of foreign operations	(0.5)	1.2
Deferred tax on items recyclable recognized directly on equity Note 3	0.2	(0.2)
- not reclassified to profit / (loss) non-recyclable:	(17.8)	9.6
Actuarial gains and losses generated in the period on defined benefit plan	(22.2)	13.7
Deferred tax on items non-recyclable recognized directly	4.4	(4.1)
Total other comprehensive income	(61.7)	55.5
Total comprehensive income for the period	88.7	158.9
Of which:		
- attributable to owners of the parent	81.3	158.9
- non-controlling interests	7.4	-

B.5 Consolidated statement of financial position

(In € million)		12 months ended 31 December 2016	12 months ended 31 December 2015
ASSETS			
Goodwill	Note 13	766.4	380.1
Intangible assets	Note 14	312.2	123.7
Tangible assets	Note 15	103.8	66.2
Non-current financial assets	Note 16	27.8	56.4
Deferred tax assets	Note 10	45.3	45.0
Total non-current assets		1 255.4	671.4
Trade accounts and notes receivables	Note 17	294.9	242.6
Current taxes		6.7	4.4
Other current assets	Note 18	129.0	77.0
Current financial instruments		0.3	-
Cash and cash equivalents	Note 19	425.2	353.3
Total current assets		856.1	677.3
Total assets		2 111.5	1 348.7

(In € million)		12 months ended 31 December 2016	12 months ended 31 December 2015
LIABILITIES AND SHAREHOLDERS' EQUITY			
Common stock		90.0	89.7
Additional paid-in capital		248.7	241.5
Consolidated retained earnings		675.0	380.3
Translation adjustments		(26.7)	(26.2)
Net income attributable to the owners of the parent		144.2	103.4
Equity attributable to the owners of the parent		1 131.1	788.7
Non-controlling interests	Note 11	160.9	-
Total shareholders' equity		1 292.0	788.7
Provisions for pensions and similar benefits	Note 21	131.6	79.5
Non-current provisions	Note 22	8.0	4.7
Borrowings	Note 23	2.2	1.5
Deferred tax liabilities	Note 10	47.2	7.2
Other non-current liabilities		0.4	0.4
Total non-current liabilities		189.5	93.3
Trade accounts and notes payables	Note 24	274.9	189.0
Current taxes		37.5	31.8
Current provisions	Note 22	22.4	5.4
Current financial instruments		0.1	-
Current portion of borrowings	Note 23	24.1	28.5
Other current liabilities	Note 25	271.1	212.0
Total current liabilities		630.1	466.7
Total liabilities and shareholders' equity		2 111.5	1 348.7

B.6 Consolidated cash flow statement

(In € million)		12 months ended 31 December 2016	12 months ended 31 December 2015
Profit before tax		204.0	142.2
Depreciation of assets	Note 6	54.6	50.8
Net charge / (release) to operating provisions		0.2	5.8
Net charge / (release) to financial provisions		2.0	1.8
Net charge / (release) to other operating provisions		(0.8)	7.4
Customer relationships & Patent amortization		6.1	3.5
Losses / (gains) on disposals of fixed assets		(44.1)	0.6
Net charge for equity-based compensation		6.8	3.0
Losses / (gains) on financial instruments		(0.2)	-
Net cost of financial debt	Note 8	0.6	1.4
Cash from operating activities before change in working capital requirement, financial interest and taxes		229.3	216.5
Taxes paid		(39.1)	(29.9)
Change in working capital requirement		37.3	11.9
Net cash from / (used in) operating activities		227.4	198.6
Payment for tangible and intangible assets		(85.3)	(67.0)
Proceeds from disposals of tangible and intangible assets		0.2	0.1
Net operating investments		(85.1)	(66.9)
Amounts paid for acquisitions and long-term investments		(142.8)	(2.0)
Cash and cash equivalents of companies purchased /sold during the period		37.4	-
Proceeds from disposals of financial investments		35.9	0.1
Net long-term investments		(69.5)	(1.9)
Net cash from / (used in) investing activities		(154.6)	(68.8)
Common stock issues on the exercise of equity-based compensation		4.4	-
Capital increase subscribed by non-controlling interests		3.1	-
Purchase of shares		-	(2.4)
New borrowings	Note 23	0.8	-
New finance lease	Note 23	-	0.1
Repayment of long and medium-term borrowings	Note 23	(0.6)	(0.9)
Net cost of financial debt paid		(0.6)	(1.3)
Other flows related to financing activities		-	(0.1)
Net cash from / (used in) financing activities		7.2	(4.6)
Increase / (decrease) in net cash and cash equivalents		80.0	125.3
Opening net cash and cash equivalents		325.2	205.6
Increase / (decrease) in net cash and cash equivalents	Note 23	80.0	125.3
Impact of exchange rate fluctuations on cash and cash equivalents		3.0	(5.7)
Closing net cash and cash equivalents	Note 19	408.2	325.2

B.7 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				
At January 1st, 2015	131 926	89.7	241.5	425.7	(200.8)	(27.4)	100.4	629.1	0.0	629.1
* Appropriation of prior period net income				100.4			(100.4)	0.0		-
* Equity-based compensation				3.0				3.0		3.0
* Other				(2.3)				(2.3)		(2.3)
Transactions with owners	-	-	-	101.1	-	-	(100.4)	0.7	-	0.7
* Net income							103.4	103.4		103.4
* Other comprehensive income				54.3		1.2		55.5		55.5
Total comprehensive income for the period				54.3	-	1.2	103.4	158.9	-	158.9
At December 31st, 2015	131 926	89.7	241.5	581.1	(200.8)	(26.2)	103.4	788.7	-	788.7
* Common stock issued	421	0.3	7.2					7.5		7.5
* Appropriation of prior period net income				103.4			(103.4)	-		-
* Equity-based compensation				6.8				6.8		6.8
* Scope Changes						246.8		246.8	153.5	400.3
Transactions with owners	421	0.3	7.2	110.2	246.8	-	(103.4)	261.1	153.5	414.6
* Net income							144.2	144.2	6.2	150.4
* Other comprehensive income				(62.3)		(0.5)		(62.9)	1.2	(61.7)
Total comprehensive income for the period				(62.3)	-	(0.5)	144.2	81.3	7.4	88.7
At December 31st, 2016	132 347	90.0	248.7	629.0	46.0	(26.7)	144.2	1 131.1	160.9	1 292.0

B.8 Appendices to the consolidated financial statements

B.8.1 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 consolidated financial statements were approved by the Board of Directors on February 20, 2017. The consolidated financial statements will then be submitted to the approval of the general meeting of shareholders scheduled to take place on May 24, 2017.

B.8.2 Accounting rules and policies

Basis of preparation of consolidated financial statements

Pursuant to European Regulation No. 1606/2002 of July 19th, 2002, the consolidated financial statements for the twelve months ended December 31, 2016 have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union as at December 31, 2016. 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).

Accounting policies applied by the Group comply with those standards and interpretations, which can be found at: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

As of December 31, 2016 the accounting standards and interpretations endorsed by the European Union are similar to the compulsory standards and interpretations published by the International Accounting Standards Board (IASB). Consequently, the Group's consolidated financial statements are prepared in accordance with the IFRS standards and interpretations, as published by the IASB.

The new standards, interpretations or amendments whose application was mandatory for the Group effective for the fiscal year beginning January 1, 2016 had no material impact on the consolidated financial statements:

- Amendments to IFRS 10, IFRS 12 and IAS 28 *Investments Entities : Applying the Consolidation Exception*;
- Amendment to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*;
- Amendment to IAS 1 *Disclosure Initiative*;
- Amendment to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*;
- Amendments to IAS 27 *Equity Method in Separate Financial Statements* ;
- Amendments to IFRSs *Annual Improvements to IFRSs 2012-2014 Cycle*.

A number of new standards and amendments to standards published are effective for annual periods beginning after January 1, 2016 and earlier application is permitted. However, the Worldline Group has not early adopted the following new or amended standards in preparing these consolidated statements.

New or amended standards	Summary of the requirements	Possible impact on consolidated financial statements
<i>IFRS 9 Financial Instruments</i>	<p>IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 <i>Financial Instruments: Recognition and Measurement</i>.</p> <p>IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.</p> <p>IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.</p>	<p>The Worldline Group is expecting a limited impact on its consolidated financial statements resulting from the application of IFRS 9 given the nature of its activities.</p>
<i>IFRS 15 Revenue from Contracts with customers</i>	<p>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.</p> <p>IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.</p>	<p>The Worldline Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.</p>
<i>IFRS 16 Leases</i>	<p>IFRS 16 introduces a single, on-balance lease sheet accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.</p> <p>IFRS 16 replaces existing leases guidance IAS 17 <i>Leases</i>, IFRIC 4 <i>Determining whether an Arrangement contains a Lease</i>, SIC 15 <i>Operating Leases-Incentives</i> and SIC-27 <i>Evaluating the Substance of Transactions Involving the Legal Form of a Lease</i>.</p> <p>The standard is effective for annual periods beginning on or after January 2019.</p>	<p>The Worldline Group has started an initial assessment of the potential impact on its consolidated financial statements.</p>

The following other standards, potentially applicable to the group consolidated financial statements, are not expected to have a significant impact on Worldline Group's consolidated financial statements and are

- Amendment to IFRS 2 *Classification and Measurement of Share-based Payment Clarifications*;
- Amendments to IFRS 10 and IAS 28 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*;
- Amendment to IAS 7 *Disclosure Initiative*; and
- Amendment to IAS 12 *Recognition of Deferred Tax Assets for Unrealized Losses*.

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

The policies set out below have been applied in consistency with all years presented.

Accounting estimates and judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense in the financial statements and disclosures of contingent assets and liabilities at the closing date. The estimates, assumptions and judgments that may result in significant adjustments to the carrying amounts of assets and liabilities are essentially related to:

Goodwill impairment tests

The Group tests at least annually whether goodwill has suffered any impairment, in accordance with the accounting policies stated below. The recoverable amounts of cash generating units are determined based on value-in-use calculations or on their fair value reduced by the costs of sales. These calculations require the use of estimates as described in Note 13 "Goodwill".

Revenue recognition and associated costs on long-term contracts

Revenue recognition and associated costs, including forecast losses on completion are measured according to policies stated below. Total projected contract costs are based on various operational assumptions such as forecast volume or variance in the delivery costs that have a direct influence on the level of revenue and possible forecast losses on completion that are recognized.

Capitalization of development costs

The Group recognizes development costs corresponding to technical solutions developed for its own use, for some customers or made available to a group of customers. The criteria to recognize such assets requires some judgment and a global overview of the amount of costs that can be capitalized. Such capitalized development costs are amortized over their estimated average life (Cf. Note on accounting rules "Intangible assets other than goodwill" & Note 14 "Intangible assets").

Consolidation methods

Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. Control is defined by the ability to govern the financial and operating policies generally, but not systematically, consolidated with a shareholding of more than 50 percent of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible, the power to appoint the majority of the members of the governing bodies and the existence of veto rights are considered when assessing whether the Group controls another entity. Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group. They are excluded from the consolidation from the date on which control ceases.

Associates

Associates are entities over which the Group has significant influence but not control or joint control, generally, but not systematically, accompanying a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for by the equity method.

Translation of financial statements denominated in foreign currencies

The balance sheets of companies based outside the euro zone are translated at closing exchange rates. Income statement items are translated based on average exchange rate for the period. Balance sheet and income statement translation adjustments arising from a change in exchange rates are recognized as a separate component of equity under "Translation adjustments".

Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of that foreign entity and translated into euro at the closing date.

The Group does not consolidate any entity operating in a hyperinflationary economy.

Translation of transactions denominated in foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement under the heading "Other financial income and expenses", except where hedging accounting is applied.

Revenue recognition

Services

Services constitute the major part of the revenue of the Group.

Revenues arising from transactional activities, particularly in the area of payments are recognized over the period during which the treatment has been completed.

The proceeds from subscriptions are recognized on a straight line basis over the term of the contract.

Revenues for development projects and/or migration of platform with customers are recognized as and when the service is performed, based on the stage of completion when the outcome can be determined reliably. The percentage of completion is determined by comparing the cumulative costs incurred, on a given date, with the expected total costs of the contract. Benefits from these contracts are recorded in the balance sheet under "Trade accounts and notes receivables" for the share of proceeds to be received and under "Other current liabilities" for the portion of deferred revenue. When the outcome of a fixed price contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred probably recoverable.

Income relating to other services performed on behalf of clients is recognized at the completion of the service.

The Group may sign in some cases service contracts with multiple elements, which may include a combination of different services:

- Revenue is recognized separately for each of the elements when they are separately identifiable.
- A set of contracts is combined and treated as a single contract when the group of contracts is negotiated as a single package, the contracts are so closely interrelated that they are, in fact, part of a single project with an overall margin and that the contracts are performed concurrently or following one another without interruption.

The Group performs regularly and in special circumstances, profitability studies on service contracts to determine whether the latest estimates of revenue, costs and percentage of completion need to be revised. If these estimates indicate that the contract will be unprofitable, a provision for loss is recorded immediately covering the loss in its entirety.

Payment terminals

Revenues from the sale of payment terminals installed by the technical staff of the company are recognized at the time of installation. In the event that payment terminals are only delivered to a wholesaler, the income from their sale is recognized at the time of delivery of goods in accordance with the Incoterm agreed.

Income from the rental of terminals merchants is recognized over the term of the contract. A similar recognition of revenues from maintenance contracts is applied, that is to say, spread over the contract period.

Agent

When the Group acts as an agent between the client and the supplier, revenue is accounted for net of suppliers' billings. Factors generally considered to determine whether or not the Group acts as an agent include contractual liability towards the client, the responsibility for credit risk and the risk level of service and added value to services or products provided by the supplier.

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

Operating margin and Operating Margin before Depreciation and Amortization (OMDA)

The underlying operating performance on the Group ongoing business is presented within operating margin, while unusual operating income/expenses are separately itemised and presented below the operating margin, in line with the ANC (Autorité des Normes Comptables) recommendation n°2013- 03 (issued on November 7th, 2013) regarding the financial statements presentation.

The Operating Margin before Depreciation and Amortization is based on Operating margin minus items without impact on the cash flows from operations and excluding amortization and depreciation.

Other operating income and expenses

"Other operating income and expenses" covers income or expense items that are unusual, and infrequent. They are presented below the operating margin.

Classification of charges to (or release from) restructuring and rationalization and associated costs provisions in the income statement depends on the nature of the plan:

- Plans directly in relation with operations are classified within the "Operating margin";
- Plans related to business combinations or qualified as unusual and infrequent are classified in the "Other operating expenses";
- If a restructuring plan qualifies for "Other operating expenses", the related real estate rationalization & associated costs expenses regarding premises and buildings is also presented in "Other operating expenses".

"Other operating income and expenses" also include major litigations, and capital gains and losses on the disposal of tangible and intangible assets, significant impairment losses on assets other than financial assets, the amortization of the Customer Relationships, the amortization cost of equity based compensation plans or any other item that is infrequent and unusual.

Current and deferred taxes

The income tax charge includes current and deferred tax expenses. Deferred tax is calculated wherever temporary differences occur between the tax base and the consolidated base of assets and liabilities, using the liability method. The deferred tax is valued using the enacted tax rate at the closing date that will be in force when the temporary differences reverse.

In case of change in tax rate, the deferred tax assets and liabilities are adjusted counterpart the income statement except if those change related to items recognized in other comprehensive income or in equity.

The deferred tax assets and liabilities are netted off at the taxable entity, when there is a legal right to offset. Deferred tax assets corresponding to temporary differences and tax losses carried over forward are recognized when they are considered to be recoverable during their validity period, based on historical and forecast information.

Deferred tax liabilities for taxable temporary differences relating to goodwill are recognized, to the extent they do not arise from the initial recognition of goodwill.

Deferred tax assets are tested for impairment at least annually at the closing date, based on December actuals, business plans and impairment test data.

Earnings per share

Basic earnings per share are calculated by dividing the net income (attributable to owners of the parent), by the weighted average number of ordinary shares outstanding during the period. Treasury shares are not taken into account in the calculation in the basic or diluted earnings per share.

Diluted earnings per share are calculated by dividing the net income (attributable to owners of the parent), adjusted for the financial cost (net of tax) of dilutive debt instruments, by the weighted average number of ordinary shares outstanding during the period, plus the average number of shares which, according to the share buyback method, would have been outstanding had all the issued dilutive instruments been converted.

Business combination and goodwill

A business combination may involve the purchase of another entity, the purchase of all the net assets of another entity or the purchase of some of the net assets of another entity that together form one or more businesses.

Major services contracts involving staff and asset transfers that enable the Group to develop or significantly improve its competitive position within a business or a geographical sector are accounted for as business combinations.

Valuation of assets acquired and liabilities assumed of newly acquired subsidiaries

Business combinations are accounted for according to the acquisition method. The consideration transferred in exchange for control of the acquired entity is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

Direct transaction costs related to a business combination are charged in the income statement when incurred.

During the first consolidation, all the assets, liabilities and contingent liabilities of the subsidiary acquired are measured at their fair value.

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, of the amount of any non-controlling interests in the acquiree and of the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Goodwill is allocated to Cash Generating Units (CGU) for the purpose of impairment testing. Goodwill is allocated to those CGU that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. CGUs correspond to Global Business Lines defined by IFRS 8.

The recoverable value of a CGU is based on the higher of its fair value less costs to sell and its value in use determined using the discounted cash-flows method. When this value is less than its carrying amount, an impairment loss is recognized in the operating income.

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.

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.

Intangible assets other than goodwill

Intangible assets other than goodwill consist primarily of software and user rights acquired directly by the Group, software and customer relationships acquired in relation with a business combination as well as internally developed IT solutions.

No intangible asset arising from research (or from the research phase of an internal project) shall be recognized. Expenditure on research (or on the research phase of an internal project) shall be recognized as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) shall be recognized if, and only if, an entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the intangible asset and to use or sell it;
- Its ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and;
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development expenses correspond to assets developed for the own use of the group, to specific implementation projects for some customers or innovative technical solutions made available to a group of customers. These projects are subject to a case-by-case analysis to ensure they meet the appropriate criteria for capitalization. Are capitalized as development costs only those directly attributable to create produce and prepare the asset to be capable of operating in the manner intended by management.

Development expenses that are capitalized are accounted for at cost less accumulated depreciation and any impairment losses. They are amortized on a straight-line basis over a useful life between 3 and 12 years, of which two categories can be identified:

- For internal software development with fast technology serving activities with shorter business cycle and contract duration, the period of amortization will be between 3 and 7 years, the standard scenario being set at 5 years in line with the standard contract duration;
- For internal software development with slow technology obsolescence serving activities with long business cycle and contract duration, the period of amortization will be between 5 and 12 years with a standard scenario at 7 years. It is typically the case for large mutualized payment platforms.

The customer relationships recognised as a business combination in accordance with IFRS 3, are valued as per the multi-period excess earning method that consists in summing future operating margins attributable to contracts, after tax and capital employed.

Intangible assets are amortized on a straight-line basis over their expected useful life in operating margin. Customer relationships and patents acquired in a business combination, are amortized on a straight-line basis over their expected useful life, generally not exceeding 10 years; their related depreciation are recorded as other operating expenses.

Tangible assets

Tangible assets are recorded at acquisition cost. They are depreciated on a straight-line basis over the following expected useful lives:

- Buildings 20 years
- Fixtures and fittings 5 to 10 years
- Computer hardware 3 to 5 years
- Vehicles 4 years
- Office furniture and equipment 5 to 10 years

Leases

Asset leases where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Assets acquired under finance lease are depreciated over the shorter of the assets' useful life and the lease term.

The corresponding liability to the lessor is included in the statements of financial position as a liability arising from a lease financing. Payments under the leases are apportioned between finance charges and reduction of the debt arising from the lease so as to produce a constant rate of interest on the remaining balance of the liability. Finance charges are recognized directly in profit or loss unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the general method used by the Group for accounting for borrowing costs.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are expensed linearly throughout the duration of the lease.

Terminals leases are treated as an operating lease and their revenue is recognized according to the accounting rules described in this note (§ "Revenue recognition").

Impairment of assets other than goodwill

At the end of each reporting period of the financial information, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If it is not possible to assess the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If a reasonable and consistent method of allocation can be identified, corporate assets are also allocated to cash-generating units individually; otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation method can be determined.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the estimated recoverable amount (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

Financial assets non current and current assets

Financial assets non current and current assets are accounted for at trade date.

Assets securitization programs, in which the Group retains substantially all the risks and rewards of ownership of the transferred assets, do not qualify for de-recognition. A financial liability for the consideration received is recognized. The transferred assets and the financial liability are valued at their amortized costs.

Available-for-sale financial assets include equity investments in non-consolidated entities. They are measured at fair value, with changes in fair value recognized in other comprehensive income. When an available-for-sale financial asset is sold or impaired; the cumulative fair value adjustment recognized in other comprehensive income is transferred to the income statement. For securities listed on an active market, fair value is considered to equal market value. If no active market exists, fair value is generally determined based on appropriate financial criteria for the specific security. If the fair value of an available-for-sale financial asset cannot be reliably measured, it is recognized at cost.

Loans are part of non-current financial assets. Loans are recorded initially at their fair value and subsequently at their amortized value.

Currents assets and current Liabilities

Presentation rules

Assets and liabilities classified as current are expected to be realized, used or settled during the normal cycle of operations, which can extend beyond 12 months following period-end. All other assets and liabilities are classified as non-current. Current assets and liabilities, excluding the current portion of borrowings, financial receivables and provisions represent the Group's working capital requirement.

Trade accounts and notes receivable

Trade accounts and notes receivable are recorded initially at their fair value and subsequently at their amortized value. The nominal value represents usually the initial fair value for trade accounts and notes receivable. In case of deferred payment over one year, where the effect is significant on fair value, trade accounts and notes receivables are discounted. Where appropriate, a provision is raised on an individual basis to take likely recovery problems into account.

Inventory

Inventory recognised under "Other current assets", which mainly consists in payment terminals, are assessed at the lower cost or net realizable value. The net realizable value is the estimated selling price in the normal course of business, less estimated costs deemed necessary to sell. Inventory cost is determined according to the weighted average method and include the acquisition costs and incidental expenses.

Cash and cash equivalents

Cash and cash equivalent include cash at bank and financial instruments such as money market funds. Such financial instruments are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. They are held for the purpose of meeting short-term cash commitments and have a short maturity, in general three months or less from the date of acquisition. Some instruments, such as term deposits, that have at inception a longer maturity but provide for early withdrawal and a capital guarantee may also be classified as cash equivalents under certain circumstances. Money market funds are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

For entities having subscribed to the Group cash pooling agreement, the cash/debt balance sheet position which are linked to this agreement are mutualized and only the net position is presented in the consolidated balance sheet.

Borrowings

Borrowings are recognized initially at fair value, net of debt issuance costs. Borrowings are subsequently stated at amortized costs. The calculation of the effective interest rate takes into account interest payments and the amortization of the debt issuance costs.

Debt issuance costs are amortized in financial expenses over the life of the loan. The residual value of issuance costs for loans repaid in advance is expensed in the year of repayment.

Bank overdrafts are recorded in the current portion of borrowings.

Pensions and similar benefits

Employee benefits are granted by the Group through defined contribution and defined benefit plans. Costs relating to defined contribution costs are recognized in the income statement based on contributions paid or due in respect of the accounting period when the related services have been accomplished by beneficiaries.

The valuation of Group defined benefit obligation is based on a single actuarial method known as the "projected unit credit method". This method includes the formulation of specific assumptions, detailed in Note 21 "Pensions and similar benefits", which are periodically updated, in close liaison with external actuaries of the Group.

Plan assets usually held in separate legal entities are measured at their fair value, determined at closing.

The fair value of plan assets is determined based on valuations provided by the external custodians of pension funds and following complementary investigations carried-out when appropriate.

From one accounting period to the other, any difference between the projected and actual pension plan obligation and their related assets is actuarial differences. These actuarial differences may result either from changes in actuarial assumptions used, or from experience adjustments generated by actual developments differing, in the accounting period, from assumptions determined at the end of the previous accounting period. All actuarial gains and losses generated on post-employment benefit plans on the period are recognized in "other comprehensive income".

Benefit plans costs are recognized in the Group's "Operating Margin", except for interest costs on net obligations which are recognized in "other financial income and expenses".

Equity-based compensation

Stocks options are granted to management and certain employees at regular intervals. These equity-based compensations are measured at fair value at the grant date using the binomial option-pricing model. Changes in the fair value of options - taking into account assumptions such as personnel turnover and fulfilment of performance conditions - after the grant date have no impact on the initial valuation. The fair value of share options is recognized in "Other Operating Income" since 2016, on a straight-line basis over the period during which those rights vest, using the straight-line method, with the offsetting credit recognized directly in equity.

Employee Share Purchase Plans offer employees the opportunity to invest in Group's shares at a discounted price. Shares are subject to a lock-up period restriction. Fair values of such plans are measured taking into account:

- The exercise price based on the average opening share prices quoted over the 20 trading days preceding the date of grant;
- The percent discount granted to employees;
- The number of free shares granted linked to the individual subscriptions
- The consideration of a lock-up restriction to the extent it affects the price that a knowledgeable, willing market participant would pay for that share; and
- The grant date: date on which the plan and its term and conditions, including the exercise price, is announced to employees.

Change in free cash flow and operating margin new definition

The Group decided to change the "free cash flow" and "operating margin" definitions by excluding equity based compensation effects from the calculation of financial performance, in line with sector practice.

As such, Group free cash flow excludes proceeds from equity based compensation and the amortization cost of equity based compensation plans is excluded from the "operating margin" and presented in "other operating income and expenses".

This change of presentation has been applied retroactively to the period presented and as a consequence of this reclassification the full year 2015 "operating margin" have been increased by € 3.0 million.

Cf. Note 7 "Other Operating Income"

Provisions

Provisions are recognized when:

- The Group has a present legal, regulatory, contractual or constructive obligation as a result of past events,
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and
- The amount has been reliably quantified.

B.8.3 Notes to the consolidated financial statements

Note 1 Changes in the scope of consolidation

After the completion of the regulatory processes in the Netherlands, in Belgium and in the Czech Republic, the transactions with Equens, Paysquare and KB Smartpay were finalized on September 30, 2016.

Through these transactions, the enlarged Worldline Group benefits from a unique Pan-European footprint and will increase its revenue size on a full year basis by 25%, out of which 40% in Commercial Acquiring and 65% in Financial Processing.

The business perspectives of Worldline broaden with a significantly reinforced product portfolio, a larger geographical footprint and the additional expertise of 1,300 electronic payment experts in 20 countries.

As announced at the time of the signing, the commercial contracts with the previous shareholders of Equens have been extended until 2021.

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/ equensWordline

The merger of the Financial Services Business of Worldline with Equens resulted in the creation of equensWordline held at 63.6% by Wordline 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 equensWordline by the Group and the sale to the previous shareholders of Equens of a Non-controlling interest in the Financial Services Business. equensWordline is controlled by the Wordline Group and fully consolidated within Worldline Group since October 1, 2016. The company equensWordline 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 of the Business combination in the equity of the group are as follows:

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

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 Wordline 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)	Assets acquired and liability assumed at the end of the measurement period
Fixed assets	202.3
Net debt	36.6
Provisions	(54.4)
Other net assets	(36.6)
Fair value of acquisition	147.8

Preliminary Goodwill

The group has opted to measure the non-controlling interests at fair value (full goodwill method).

(in € million)	Preliminary Goodwill
Consideration transferred for Equens	254.6
Consideration transferred for Paysquare	113.2
Total consideration	367.8
Fair value of Non Controlling Interests	145.7
Equity acquired (Equens & Paysquare)	84.1
Customer relationships acquired net of deferred tax	63.7
Fair value of identifiable net assets	147.8
Total	365.6

The valuation of assets acquired and liabilities assumed at their fair value has resulted in the recognition of new customer relationships for a total amount of € 88.8 million determined by an independent expert. Customer relationships are being amortized on a straight line basis over 6.5 to 9.5 years. An amortization expenses of € 2.5 million was recorded for the three-month period ended December 31, 2016.

If new information is obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date that would lead to adjustments to the above amounts, then the acquisition accounting will be revised at that time.

The residual goodwill is attributable to Equens and Paysquare' highly skilled workforce and some know-how. It also reflects the synergies expected to be achieved from integrating Equens and Paysquaree operations into the Group.

The goodwill arising from this acquisition is not tax deductible.

Acquisition-related costs

The Group incurred € 12.4 million of legal fees and due diligence costs. These costs have been recognized in "other operating income and expenses" in the Group's consolidated income statement, of which € 7.2 million in 2015 and € 5.2 million in 2016.

Equens and Paysquare 2016 revenue and net result as though the acquisition date had been January 1st, 2016

If the acquisition had occurred on January, 2016, the twelve-month Revenue for 2016 have been € 319.8

million and the twelve-month net results would have been € 14.7 million (included Paysquare's Visa proceeds in the first semester 2016 for € 42.9 million).

Other acquisitions

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 the Czech Republic, to further develop products and services for Czech merchants and acquire Cataps s.r.o. This entity is fully consolidated in Worldline consolidated financial statements since October 1st, 2016. This acquisition led to the recognition of customer relationships for € 8.8 million amortized over 15.3 years and a preliminary goodwill of € 21.8 million. The Group has recognized a financial liability of € 6.7 million as at December 31, 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 Pro forma financial information

Regulatory framework

The pro forma consolidated financial information, which includes pro forma selected items of the consolidated income statement for the year ended December 31, 2016 and a pro forma segment consolidated financial information, reflects the acquisitions of Equens, Paysquare and KB Smartpay (please refer to Note 1 to the consolidated financial statements), together referred to as the "Acquired Companies" or the "Acquisitions"), as if they had been effective as of January 1, 2016.

This pro forma consolidated financial information is prepared in accordance with the provisions of Appendix II, "Pro forma financial information module" of European Regulation no. EC 809/2004, the recommendations issued by ESMA (formerly known as CESR) in February 2005 concerning the application of the European Regulation no. EC 809/2004, and in accordance with Guideline no. 2013-08 of the French Financial Markets Authority ("Autorité des Marchés Financiers").

The pro forma consolidated financial information is presented for illustrative purposes only and is not indicative of Worldline's results of operations or financial condition that would have been achieved had the Acquisitions been completed as of January 1, 2016, nor is the pro forma financial information indicative of the Group's current or future results of operations or financial position.

Basis of preparation

The pro forma consolidated financial information has been prepared based on:

- The audited consolidated financial statements of the Group as of and for the year ended December 31, 2016, prepared in accordance with IFRS as adopted by European Union;
- The unaudited consolidated interim financial statements of Equens for the period from January 1 to September 30, 2016, prepared in accordance with IFRS as adopted by European Union (a);
- The unaudited consolidated interim financial statements of Paysquare, for the period from January 1 to September 30, 2016, prepared in accordance with IFRS as adopted by European Union (b); and
- The unaudited interim financial statements of Cataps for the period from January 1 to September 30, 2016, prepared in accordance with IFRS as adopted by European Union (c).

All reclassifications were made to align the Acquisitions available historical information with Worldline's consolidated financial statement presentation.

All pro forma adjustments are directly attributable to the Acquisitions. These adjustments have been prepared and computed based on available information and certain assumptions that the management of the Group consider to be reasonable. The pro forma consolidated financial information does not include any economies of scale that may result from synergies and cost savings.

	a				b	c	d	a+b+c+d
In € million	Audited financial information for Worldline for the twelve-month period ended December 31, 2016	Historical financial information for Equens for the January 1, 2016 to September 30, 2016 period prior to the acquisition by Worldline (a)	Historical financial information for Paysquare for the January 1, 2016 to September 30, 2016 period prior to the acquisition by Worldline (b)	Historical financial information for KB Smartpay for the January 1, 2016 to September 30, 2016 period prior to the acquisition by Worldline (c)	Historical financial information for the acquired companies for the January 1, 2016 to September 30, 2016 period prior to the acquisition by Worldline	Total pro forma reclassification (Note 2.1)	Total pro forma adjustment (Note 2.2)	Worldline 2016 pro forma financial information
Revenue	1309.2	206.6	52.2	23.2	282.0	-21.8	-23.8	1545.6
OMDA	258.7	-0.2	2.5	1.5	3.8	17.9	4.8	285.2
Operating margin	196.6	-50.5	-0.2	1.5	-49.2	21.4	27.6	196.4

Please refer to Note 4 of the consolidated financial statements for a definition of OMDA (Operating Margin Before Depreciation and Amortization).

2.1 Pro forma reclassifications reflected in the pro forma revenue, OMDA and operating margin for the year ended December 31, 2016

There are certain differences between the manner in which Worldline and the Acquired Companies present their respective IFRS income statements. Therefore, the items below in the Acquired companies' income statement for the 9 month period ended September 30, 2016 were reclassified in order to align with the Group's accounting principles and policies:

In € million	Pass-through accounting for interchange fees (1)	Recognition of sale of payment terminals instead of pass-through accounting (2)	Harmonization of accounting treatment for unusual and infrequent items (3)	Harmonization of the accounting treatment for pension (4)	Cust. Relationship amortization booked as OOI (5)	Total pro forma reclassification
Revenue	-28.3	6.5				-21.8
OMDA			17.0	0.9		17.9
Operating margin			17.0		4.4	21.4

(1): the Group presents its revenue for Commercial Acquiring net of interchange bank commissions received on behalf of card issuing banks. Accordingly, pass-through accounting has been applied to the interchange bank commissions that were booked during the first nine months of 2016 by Paysquare and KB Smartpay as revenue.

(2): Revenue for sale of payment terminals was recorded net of purchasing costs, as pass-through

revenue by Equens. Revenue from these sales is recognized gross according to the Group accounting policies.

(3): the Group presents income or expense that are unusual and infrequent as "Other Operating Income and Expense" or ("OOI"), below the OMDA and below the Operating Margin. These costs consist mainly in consultancy and acquisition expenses related to the transaction between Equens and Worldline.

(4): The non-cash part of the pension expense has been excluded from the OMDA computation, in compliance with the Group's accounting principle for pension.

(5): Amortization expense for customer relationships has been presented as other operating expense in compliance with the Group's accounting principle.

2.2 Pro forma adjustments reflected in the pro forma revenue, OMDA and operating margin for the year ended December 31, 2016

The following pro forma adjustments were recorded:

In € million	Intra-group transaction eliminations (6)	Prospective revenue adjustments (7)	Harmonization of accounting methods for long-term contracts (8)	Change in scope in a long-term contract (9)	Unusual and infrequent provision for loss at completion (10)	Other adjustments	Total pro forma adjustments
Revenue	-19.5	-7.6	-1.8	5.1			-23.8
OMDA		-5.5	2.3	6.5		1.5	4.8
Operating margin		-5.5	3.2	13.1	18.0	-1.2	27.6

(6): Consolidation elimination of transactions between Worldline, Equens and Paysquare during the first nine months of 2016

(7): Restatement of first nine-month revenue, OMDA and OM to reflect the economic model of one specific commercial contract

(8): Harmonization of accounting methods (revenue recognition and asset capitalization) for long-term contracts

(9): Adjustment to reflect of scope evolution of one specific commercial contract

(10): Unusual and infrequent provision for loss at completion on one long-term customer contract

2.3 Pro forma segment financial information

The information in the tables below presents, for illustrative purpose only, the breakdown of consolidated operating segments' revenue and OMDA of the new group, had the Acquired Companies been consolidated from January 1, 2016:

Revenue In EUR million	Audited financial information for Worldline for the twelve-month period ended December 31, 2016	Acquired Companies from Jan. to Sep. 2016, incl. the pro forma adjustments /reclassifications	Total revenue
Merchant Services & Terminals	439.6	47.7	487.3
Financial Services	500.0	188.7	688.7
Mobility & e-Transactional Services	369.6	0.0	369.6
Total revenue	1309.2	236.4	1545.6

OMDA In EUR million	Audited financial information for Worldline for the twelve-month period ended December 31, 2016	Acquired Companies from Jan. to Sep. 2016, incl. the pro forma adjustments /reclassifications	Total OMDA
Merchant Services & Terminals	99.4	5.6	105.0
Financial Services	130.6	20.9	151.5
Mobility & e-Transactional Services	51.6	0.0	51.6
Corporate costs	-22.9	0.0	-22.9
Total OMDA	258.7	26.5	285.2

Note 3 Other significant event of the year

Visa Share

Worldline Belgium was the owner of one share in Visa Europe, valued at its historical acquisition cost in its books (€ 10).

In November 2015, Visa Inc. announced its intention to acquire Visa Europe. Worldline Belgium received a letter indicating that the share proceeds to be received would amount to € 44.9 million.

As of December 31, 2015, the Visa Share was presented as shares "available for sale" and the difference between its net book value and its fair value impacted Other comprehensive income (OCI) for € 44.9 million.

The Visa share has been sold on June 21, 2016 for a total amount of € 51.2 million including:

- € 35.6 million in cash;
- € 3.3 million of cash to be received in 3 years; and
- € 12.3 million of preferred shares in Visa Inc. that will be convertible up to 12 years after closing.

This has triggered the recognition of a € 51.2 million pre-tax gain in the profit and loss statement ("Other operating income") and of the recycling of the OCI reserve.

As of December 31, the Visa Inc. preferred shares have been valued at € 13.5 million and have been classified as shares "available for sale". Their change in fair value since the date of disposal has been booked through Other comprehensive income for € +1.1 million as of December 31, 2016.

Note 4 Segment information by Global Business Line

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 & Terminals	Commercial Acquiring , Private Label cards & Loyalty Services, Online Services, Payment Terminals	Argentina, Belgium, Czech republic, France, Germany, India, Luxembourg, Poland, Spain, The Netherlands and United Kingdom.
Financial Services	Issuing Processing, Acquiring Processing, Digital Banking, Payment	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	e-Government Collection, 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
12 months ended 31 December 2016				
External revenue by Global Business Lines	439.6	500.0	369.6	1 309.2
% of Group revenue	33.6%	38.2%	28.2%	100.0%
12 months ended 31 December 2015				
External revenue by Global Business Lines	401.9	413.8	411.3	1 227.0
% of Group revenue	32.8%	33.7%	33.5%	100.0%

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

(In € million)	Merchant Services & Terminals	Financial Services	Mobility & e-transactional services	Global structures	Total Group
12 months ended 31 December 2016					
Operating Margin before Depreciation and Amortization (OMDA)	99.3	130.6	51.5	(22.6)	258.7
% revenue	22.6%	26.1%	13.9%	-1.7%	19.8%
12 months ended 31 December 2015					
Operating Margin before Depreciation and Amortization (OMDA)	77.8	107.7	68.3	(18.5)	235.3
% revenue	19.4%	26.1%	16.6%	-1.5%	19.2%

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

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015 (*)	Variation
Operating margin	196.6	177.9	18.7
+ Depreciation of fixed assets	54.6	50.8	3.8
+ Net book value of assets sold/written off	7.3	0.7	6.6
+/- Net charge/(release) of pension provisions	3.0	5.2	(2.2)
+/- Net charge/(release) of provisions	(2.8)	0.6	(3.4)
OMDA	258.7	235.3	23.4

(*) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

The assets detailed above by Global Business Lines are reconciled to total assets as follows:

(In € million)	Merchant Services & Terminals	Financial Services	Mobility & e-transactional services	Shared (Not allocated) *	Total Group
12 months ended 31 December 2016					
Total fixed assets by Global Business Lines	404.6	655.1	57.1	65.5	1 182.4
Goodwill	293.6	446.9	25.9		766.4
% of Group goodwill	38.3%	58.3%	3.4%	-	100.0%
Other intangible assets	88.9	182.4	26.2	14.5	312.1
Tangible assets	22.1	25.8	5.0	51.0	103.9

(*) Part of intangible and tangible assets are not directly attributable to one single Global Business Line as they are mutualized assets usable and shared between the three GBL.

(In € million)	Merchant Services & Terminals	Financial Services	Mobility & e-transactional services	Shared (Not allocated) *	Total Group
12 months ended 31 December 2015					
Total fixed assets by Global Business Lines	292.1	159.9	51.7	66.3	570.0
Goodwill	221.0	132.1	27.0	-	380.1
% of Group goodwill	58.1%	34.8%	7.1%	-	100.0%
Other intangible assets	59.6	26.1	19.6	18.4	123.7
Tangible assets	11.5	1.7	5.1	47.9	66.2

(*) Part of intangible and tangible assets are not directly attributable to one single Global Business Line as they are mutualized assets usable and shared between the three GBL.

The geographical segment information for the period was the following:

(In € million)	France	Belgium	Germany & CEE	UK	Rest of Europe	Emerging Markets	Total Group
12 months ended 31 December 2016							
External revenue by geographical area	428.5	358.5	159.0	124.0	123.6	115.7	1 309.2
% of Group revenue	32.7%	27.4%	12.1%	9.5%	9.4%	8.8%	100.0%
12 months ended 31 December 2015							
External revenue by geographical area	427.3	327.5	128.8	161.4	62.0	120.0	1 227.0
% of Group revenue	34.8%	26.7%	10.5%	13.2%	5.1%	9.8%	100.0%

The non-current assets are mainly comprised of goodwill and capitalized development expenses which are non attributable by geographical area because they are allocated to several areas. The rest is composed of tangible assets which are not significant. Therefore, it is not relevant to present the non-current assets by geographical area.

Note 5 Personnel expenses

(In € million)	12 months ended 31 December 2016	% Revenue	12 months ended 31 December 2015 (*)	% Revenue
Wages, salaries & social security charges	(526.9)	40.2%	(491.2)	40.0%
Tax, training, profit-sharing	(6.5)	0.5%	(4.5)	0.4%
Net (charge)/release to provisions for staff expenses	0.1	0.0%	(0.1)	0.0%
Net (charge)/release to provisions for pensions and similar benefits	(3.0)	0.2%	(5.2)	0.4%
Total	(536.3)	41.0%	(501.1)	40.8%

(*) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

In 2015, the net charge to provisions for pensions and similar benefits has been impacted by the transfer of staff from Atos which occurred in the course of 2015 and generated an adjustment of the provision of € 1.4 million.

Note 6 Non personnel operating expenses

(In € million)	12 months ended 31 December 2016	% Revenue	12 months ended 31 December 2015	% Revenue
Subcontracting costs direct	(244.3)	18.7%	(249.3)	20.3%
Hardware and software purchase	(49.6)	3.8%	(44.3)	3.6%
Maintenance costs	(31.4)	2.4%	(30.7)	2.5%
Rent & Lease expenses	(45.0)	3.4%	(40.5)	3.3%
Telecom costs	(38.3)	2.9%	(36.8)	3.0%
Travelling expenses	(11.8)	0.9%	(11.2)	0.9%
Company cars	(7.9)	0.6%	(8.3)	0.7%
Professional fees	(42.9)	3.3%	(36.4)	3.0%
Taxes & Similar expenses	(10.2)	0.8%	(11.3)	0.9%
Scheme fees	(20.7)	1.6%	(13.4)	1.1%
Others expenses	(55.0)	4.2%	(52.7)	4.3%
Subtotal expenses	-557.14	42.6%	(534.9)	43.6%
Depreciation of assets	(54.6)	4.2%	(50.8)	4.1%
Net (charge)/release to provisions	2.7	-0.2%	(0.5)	0.0%
Gains/(Losses) on disposal of assets	(7.1)	0.5%	(0.6)	0.0%
Trade Receivables write-off	(5.4)	0.4%	(4.3)	0.4%
Capitalized Production	45.4	-3.5%	43.1	-3.5%
Subtotal other expenses	(19.1)	1.5%	(13.1)	1.1%
Total	(576.3)	44.0%	(548.0)	44.7%

Note 7 Other operating income and expenses

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

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015 (*)
Staff reorganization	(4.5)	(6.6)
Rationalization and associated costs	(4.5)	(6.2)
Integration and acquisition costs	(9.9)	(7.2)
Customer relationships and patents amortization	(6.1)	(3.5)
Other items	38.4	(6.3)
Total	13.3	(29.8)

(*) 31 December 2015 adjusted to reflect change in presentation disclosed in Note "Accounting Rules and policies"

Staff reorganization expenses of € 4.5 million decreased by € 2.1 million compared to last year and correspond to the restructuring costs induced by the adaptation of the organization mainly in the United Kingdom, France and the Netherlands.

The € 4.5 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 and Belgium. Those costs have decreased by € 1.7 million compared to 2015.

Integration and acquisition costs reached € 9.9 million (increase of € +2.7 million compared to the prior year) and correspond to the costs related to the execution of the Equens and Paysquare transactions and post acquisition integration costs.

The 2016 customer relationships amortization of € 6.1 million corresponds to:

- € 3.5 million related to the portion of the consideration paid allocated to the value of the customer relationships and backlog brought by Banksys and Siemens IT Solutions & Services;
- € 2.5 million of Equens and Paysquare customer relationships amortized over 6.5 to 9.5 years starting October 1st, 2016;
- € 0.1 million of Cataps (KB Smartpay) customer relationships starting October 1st, 2016.

The € + 38.4 million of other items mainly consisted of:

- The gain on the Visa share disposal for € 51.2 million (refer to Note 3 "Other significant events of the year")
- The charge of equity based compensation (IFRS 2) for € -6.8 million;
- Other non recurring costs for € -6.0 million.

Equity-based compensation

The € 6.8 million expense recorded within "Others Operation Income" for equity based compensation (€ 3.0 million in 2015) is mainly related to the 2016, 2015 and 2014 stock option plans, 2016 free share plan and previous Atos free share plans.

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015
Stock option plan 2015	2.7	0.6
Stock option plan 2014	1.9	2.0
Free share plan 2016	1.2	-
Employee share purchase plans 2016	0.7	-
Stock option plans 2016	0.2	-
Free share plans Atos	0.1	0.4
Total	6.8	3.0

New Stock option plans

On May 25, 2016, and on August 16 2016 the Group has granted stock options for a total of 241,000 options (of which 151,500 options regarding a foreign plan). The share price at grant date was respectively at € 27.10 and € 27.35. The exercise price is at € 26.82.

	25 May 2016	16 August 2016
Share price at grant date (€)	27.10	27.35
Strike price (€)	26.82	28.58
Expected volatility	21%	21%
Expected maturity of the plan	5 years	5 years
Risk free interest rate	-0.196%	-0.325%
Expected dividend yield	1.10%	1.10%
Fair value of options granted (€)	4.21	3.67
Expense recognized in 2016 (in € million)	0.2	0.0

Stock option plans

The Group recognized a total expense of € 4.8 million on stock options detailed as follows:

Date of Grant	2016 Expense (in € million)	Number of options initially granted
1 September 2015	2.7	1 558 500
3 September 2014	1.9	1 527 220
25 May 2016	0.2	196 000
16 August 2016	0.0	45 000
Total	4.8	3 326 720

Free share plan 2016

In July 25, 2016, the Group has implemented a new free shares plan detailed as follows:

	25 July 2016	
	French plan	Foreign plan
Number of shares granted	229 250	133 000
Share price at grant date (€)	26.865	26.865
Expected Life	2 years	3 years
Lock-up period	1 year	-
Risk free interest rate	-0.047%	-0.047%
Borrowing-lending spread	4.0%	4.0%
Expected dividend yield	1.10%	1.10%
Fair value of shares granted (€)	25.14	25.99
Expense recognized in 2016 (in € million)	0.9	0.3

Employee Share Purchase Plan "Boost" 2015

In December 2015, a new Employee Share Purchase Plan called "Boost" 2015 was open to employees throughout the Group. Following the same pattern than the Boost 2014 plan, this new plan offered to eligible employees the same characteristics:

- Subscription price of shares including a 20% discount with a five-year lock-up period restriction;
- Attribution free shares for the first 20 subscribed shares.

As a consequence of the Boost 2015 plan, the Group issued 139 322 shares at a reference share price of € 23.46 (before the 20% discount application). As of December 31th, 2016, the charge is amounting to € 0.4 million.

The cost related to Boost 2015 takes into account the effect of the five-year lock-up period restriction calculated based on the following parameters:

- Risk free interest rate: 0.3%;
- Credit spread: 5.0%.

Employee Share Purchase Plan "Sprint" 2016

In December 2016, Atos implemented a new Employee Share Purchase Plan called "Sprint" 2016. This plan was open to employees throughout Atos Group including Worldline employees. This new plan offered eligible employees the purchase of shares at a 20% discount with a five-year lock-up period restriction and attribution of free shares for the first 3 subscribed shares.

As a consequence of the "Sprint" 2016 plan, Atos issued 297, 939 shares at a reference share price of € 95.00 (before the 20% discount application) of which 26,127 Atos shares subscribed by employees from Worldline.

As of December 31th, 2016, the € 0.3 million cost related to "Sprint" 2016 takes into account the effect of the five-year lock-up period restriction calculated based on the following parameters:

- Risk free interest rate: 0.11%
- Borrowing-lending spread: 5%

Note 8 Net Financial Result

Net financial expense amounted to € 5.9 million for the period (compared to € 5.9 million in 2015) and was composed of:

- A net cost of financial debt of € 0.6 million (€ 1.4 million in 2015) ; and
- A non-operational financial costs of € 5.3 million.

Net cost of financial debt of € 0.6 million in 2016 is made of:

- € 1.4 million of cost of gross debt of the Group's subsidiaries representing an average interest rate of 0.97%; and
- € 0.9 million of remuneration of gross cash of the Group's subsidiaries representing an average interest rate of 0.40%.

The other financial income / expenses were mainly composed of foreign exchange losses for € 2.9 million and pension financial costs for € 2.0 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for plans which are funded (Cf. Note 21 "Pensions and similar benefits").

Note 9 Income tax expenses

Current and deferred taxes

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015
Current taxes	(43.2)	(32.7)
Deferred taxes	(10.5)	(6.2)
Total	(53.7)	(38.8)

Effective tax rate

The difference between the French standard tax rate and the Group Effective tax rate is explained as follows:

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015
Profit before tax	204.0	142.2
French standard tax rate	34.4%	38.0%
Theoretical tax charge at French standard rate	(70.2)	(54.0)
Impact of permanent differences	26.2	8.2
Differences in foreign tax rates	8.1	12.2
Movement on recognition of deferred tax assets	(9.6)	2.7
Equity-based compensation	(2.3)	(1.0)
Change in deferred tax rates	(0.6)	(2.3)
Withholding taxes	(1.9)	(1.0)
CVAE net of tax	(3.2)	(2.4)
French Tax credit	1.8	1.8
Other	(2.0)	(3.0)
Group tax expense	(53.7)	(38.8)
Effective tax rate	26.3%	27.3%

Note 10 Deferred taxes

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015
Deferred tax assets	45.3	45.0
Deferred tax liabilities	47.2	7.2
Net deferred tax	(1.9)	37.8

Breakdown of deferred tax assets and liabilities by nature

(In € million)	Tax losses carry forward	Customer relationships	Fixed assets	Pensions	Other	Total
At December 31st, 2014	15.3	(3.0)	14.3	20.0	0.7	47.3
Charge to profit or loss for the year	(3.7)	0.8	(6.7)	(0.4)	3.8	(6.1)
Charge to equity	-	-	-	(4.1)	(0.2)	(4.3)
Reclassification	-	-	-	2.0	(2.0)	(0.0)
Exchange differences	-	-	1.8	0.1	(1.0)	0.9
At December 31st, 2015	11.7	(2.2)	9.5	17.5	1.3	37.8
Charge to profit or loss for the year	2.7	1.7	(5.5)	1.6	(10.9)	(10.4)
Change of scope	3.2	(26.9)	(36.5)	9.6	19.7	(30.9)
Charge to equity	-	-	-	5.2	(0.5)	4.7
Reclassification	-	-	(1.7)	-	1.7	0.0
Exchange differences	-	(0.2)	(3.0)	(0.1)	0.3	(3.0)
At December 31st, 2016	17.6	(27.6)	(37.2)	33.8	11.6	(1.9)

Tax losses carry forward schedule (basis)

(In € million)	12 months ended 31 December 2016			12 months ended 31 December 2015		
	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
2020	0.6	6.3	6.9	-	-	-
Tax losses available for carry forward for 5 years and more	12.7	-	12.7	8.7	14.9	23.5
Ordinary tax losses carry forward	13.3	6.3	19.5	8.7	14.9	23.5
Evergreen tax losses carry forward	48.8	21.1	69.9	30.6	1.0	31.6
Total tax losses carry forward	62.1	27.4	89.4	39.3	15.9	55.1

Countries with the largest tax losses available for carry forward were France (€ 25.7 million), Spain (€ 19.9 million), Netherlands (€ 12.7 million), Germany (€ 11.8 million), Italy (€ 9.1 million) and Poland (6.3 million).

Deferred tax assets not recognized by the Group

(In € million)	12 months 31 December 2016	12 months 31 December 2015
Tax losses carry forward	6.1	4.4
Temporary differences	17.8	-
Total	23.9	4.4

Note 11 Non-controlling Interests

(In EUR million)	31 December 2015	2016 Income	Capital Increase	Dividends	Scope Changes	Other	31 December 2016
Equens	-	6.2	-	-	153.5	1.2	160.9
Total	-	6.2	-	-	153.5	1.2	160.9

Note 12 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 2016 amounted to 2.680.266 shares. As of end of December 2016, potential dilutive instruments comprised stock subscription (equivalent to 323.007 options).

(In € million and shares)	12 months ended 31 December 2016	12 months ended 31 December 2015
Net income - Attributable to owners of the parent [a]	144.2	103.4
Impact of dilutive instruments	-	-
Net income restated of dilutive instruments - Attributable to owners of the parent [b]	144.2	103.4
Average number of shares outstanding [c]	132 102 935	131 926 588
Impact of dilutive instruments [d]	323 007	119 468
Diluted average number of shares [e]=[c]+[d]	132 425 942	132 046 056
Earnings per share in EUR [a]/[c]	1.09	0.78
Diluted earnings per share in EUR [b]/[e]	1.09	0.78

Note 13 Goodwill

(In € million)	31 December 2015	Disposals Deprecia- tions	Impact of business combi- nation	Exchange rate fluctuations	31 December 2016
Gross value	380.7	-	387.4	(1.1)	767.0
Impairment loss	(0.6)	-	-	-	(0.6)
Carrying amount	380.1	-	387.4	(1.1)	766.4

(In € million)	31 December 2014	Disposals Deprecia- tions	Impact of business combi- nation	Exchange rate fluctuations	31 December 2015
Gross value	375.4	-	-	5.3	380.7
Impairment loss	(0.6)	-	-	-	(0.6)
Carrying amount	374.8	-	-	5.3	380.1

Goodwill mainly corresponds to:

- € 243.3 million related to Banksys acquisition; and
- € 387.4 million related to the acquisitions of the year Equens/Paysquare and Cataps, as detailed in Note 1.

Goodwill is allocated to Cash Generating Units (CGUs) which correspond to the three operating segments disclosed in note 4 "Segment information by Global Business Line".

A summary of the carrying values of goodwill by CGUs is presented in the table below:

(In € million)	31 December 2016	31 December 2015
Merchant Services & Terminals	293.6	221.0
Financial Services	446.9	132.1
Mobility & e-transactional services	25.9	27.0
Total	766.4	380.1

The recoverable amount of a CGU is based on the following assumptions:

- Terminal value is calculated after the three-year period, using an estimated perpetuity growth rate of 2.5%. This rate reflects specific perspectives of the payment sector, and;
- Discount rates are applied by CGU based on the Group's weighted average cost of capital and adjusted to take into account specific tax rates. The Group considers that the weighted average cost of capital should be determined based on a historical equity risk premium of 6.91%, in order to reflect the long-term assumptions factored in the impairment tests.

The discount rate of 8.1% is used for all the CGUs (Merchant Services & Terminals, Financial Services and Mobility & e-transactional services).

On the basis of impairment tests carried at year end, no loss of value has been identified as at December 31, 2016.

A varying plus or minus 50 basis points of the key parameters (operating margin, discount rates and perpetual growth rate) did not reveal the existence of any risk on the Group's CGUs.

Note 14 Intangible assets

(In € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
Gross value				
At January 1st, 2016	209.8	31.2	27.2	268.2
Additions	5.9	-	0.1	6.0
R&D capitalized	45.4	-	-	45.4
Impact of business combination	80.1	97.6	-	177.7
Disposals	(6.0)	-	-	(6.0)
Exchange differences	(2.0)	(0.4)	(2.1)	(4.5)
Other				0.0
At December 31st, 2016	333.2	128.4	25.2	486.7
Accumulated depreciation				
At January 1st, 2016	(96.3)	(25.2)	(23.0)	(144.5)
Depreciation charge for the year	(32.2)	(6.1)	-	(38.3)
Disposals/reversals (*)	6.1	-	-	6.1
Exchange differences	0.6	(0.2)	1.9	2.3
Impairment	(0.2)	-	-	(0.2)
At December 31st, 2016	(122.0)	(31.5)	(21.1)	(174.6)
Net value				
At January 1st, 2016	113.5	6.0	4.2	123.7
At December 31st, 2016	211.2	96.9	4.1	312.2

(*) Writte-off of fully depreciated assets

(In € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
Gross value				
At January 1st, 2015	162.9	31.4	25.9	220.2
Additions	2.6	-	0.2	2.8
R&D capitalized	43.1	-	-	43.1
Exchange differences	0.7	(0.2)	1.1	1.6
Other	0.5	-	-	0.5
At December 31st, 2015	209.8	31.2	27.2	268.2
Accumulated depreciation				
At January 1st, 2015	(73.6)	(22.2)	(19.4)	(115.2)
Depreciation charge for the year	(22.3)	(3.5)	(2.5)	(28.3)
Exchange differences	(0.1)	0.5	(1.1)	(0.7)
Other	(0.3)	-	-	(0.3)
At December 31st, 2015	(96.3)	(25.2)	(23.0)	(144.5)
Net value				
At January 1st, 2015	89.3	9.2	6.5	105.0
At December 31st, 2015	113.5	6.0	4.2	123.7

Development capitalized cost is related to the modernization of proprietary technological platforms for € 45.4 million.

Note 15 Tangible assets

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At January 1st, 2016	66.2	225.5	29.3	321.0
Additions	1.4	25.9	4.6	31.9
Impact of business combination	4.7	31.1	0.0	35.8
Disposals	(9.7)	(56.8)	(2.0)	(68.5)
Exchange differences	(0.1)	(1.9)	(0.8)	(2.9)
Other	0.2	2.2	(2.1)	0.2
At December 31st, 2016	62.6	225.9	29.1	317.6
Accumulated depreciation				
At January 1st, 2016	(40.0)	(196.8)	(18.0)	(254.8)
Depreciation charge for the year	(5.1)	(20.2)	(2.1)	(27.4)
Disposals/Reversals	6.6	58.3	1.8	66.7
Exchange differences	0.1	2.0	0.4	2.6
Other	0.1	(1.0)	(0.0)	(0.9)
At December 31st, 2016	(38.2)	(157.7)	(17.9)	(213.8)
Net value				
At January 1st, 2016	26.2	28.7	11.3	66.2
At December 31st, 2016	24.4	68.2	11.2	103.8

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At January 1st, 2015	63.0	213.5	29.7	306.2
Additions	3.2	17.0	2.6	22.7
Disposals	(0.0)	(5.8)	(0.7)	(6.5)
Exchange differences	0.1	1.6	(1.7)	(0.1)
Other	(0.0)	(0.8)	(0.6)	(1.4)
At December 31st, 2015	66.2	225.5	29.3	321.0
Accumulated depreciation				
At January 1st, 2015	(34.6)	(183.0)	(16.0)	(233.6)
Depreciation charge for the year	(5.3)	(18.2)	(2.5)	(26.0)
Disposals/Reversals	0.0	5.2	0.6	5.8
Exchange differences	(0.1)	(1.3)	0.5	(0.9)
Impairment	(0.1)	-	-	(0.1)
Other	0.0	0.6	(0.6)	0.0
At December 31st, 2015	(40.0)	(196.8)	(18.0)	(254.8)
Net value				
At January 1st, 2015	28.4	30.5	13.7	72.6
At December 31st, 2015	26.2	28.7	11.3	66.2

Tangible capital assets of the Worldline Group mainly include computer equipment used in the production centres, particularly in the processing datacentres, and terminals rented to merchants. Land and buildings are mostly composed of technical infrastructures of datacentres.

Note 16 Non current financial Assets

(In € million)		31 December 2016	31 December 2015
Pension prepayments	Note 21	1.5	4.7
Fair value of non-consolidated investments net of impairment	Note 3	17.5	48.1
Other (*)		8.8	3.6
Total		27.8	56.4

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

Note 17 Trade accounts and notes receivable

(In € million)		31 December 2016	31 December 2015
Gross value		299.6	247.5
Provision for doubtful debt		(4.7)	(4.9)
Net asset value		294.9	242.6
Prepayments		(12.9)	(9.0)
Deferred income and upfront payments received		(92.7)	(47.7)
Net accounts receivable		189.3	185.9
Number of days sales outstanding (DSO)		40	38

For balances outstanding for more than 60 days, the Group considers the need for depreciation on a case-by-case basis through a quarterly review of its balances.

Ageing of past due net receivables

(In € million)		31 December 2016	31 December 2015
0-30 days overdues		23.9	8.1
30-60 days overdues		4.3	3.4
Beyond 60 days overdues		4.4	7.5
Total		32.6	19.0

Note 18 Other current assets

(In € million)		31 December 2016	31 December 2015
Inventories		17.7	13.8
State - VAT receivables		24.2	21.5
Prepaid expenses	Note 24	60.1	28.4
Other receivables & current assets		24.8	11.9
Advance payment		2.1	1.4
Total		129.0	77.0

Note 19 Cash and cash equivalents

(In € million)	31 December 2016	31 December 2015
Cash and cash equivalents	171.1	98.5
Current accounts with Atos entities - Assets	1.4	0.1
Short-term bank deposits	250.0	250.0
Money market funds	2.8	4.7
Total cash and cash equivalents	425.2	353.3
Overdrafts	(14.5)	(19.1)
Current accounts with Atos entities - Liabilities	(2.5)	(9.0)
Total overdrafts and equivalents	(17.0)	(28.1)
Total net cash and cash equivalents	408.2	325.2

Note 20 Shareholder equity

On 5 February 2016, Worldline decided to proceed to a share capital increase as part of the Boost Employee Shares Purchase Plan.

The company issued 163,129 new shares increasing the total number of shares from 131,926,588 to 132,089,717.

In June, in September and December 2016, 257.279 new shares were created following the exercise of the stock-options plan from the September 2014 plan.

At the end of December 2016, the total of shares reached at 132,346,996 with a nominal value of € 0.68. Common stock was increased from € 89,710,079.84 to € 89,995,957.28.

Note 21 Pensions and similar benefits

The total amount recognized in the Worldline balance sheet in respect of pension plans and associated benefits was € 130.1 million at December 31, 2016. It was € 74.8 million at December 31, 2015.

Worldline's obligations are located predominantly in Germany (33.0 % of total obligations), the United Kingdom (29.0 %), Belgium (19.0 %) and France (14.0 %).

Characteristics of significant plans and associated risks

In **Germany**, the majority of obligations flow from a defined benefit pension plan which is closed to new entrants. The plan is subject to the German regulatory framework, which has no funding requirements, but does include compulsory insolvency insurance (PSV). The plan is partially funded via an insurance company. The investment strategy is set by the insurance company.

In the **United Kingdom**, these obligations are generated by legacy defined benefit plans, which have been closed to new entrants. The plans are final pay plans and are subject to the UK regulatory framework where funding requirements are determined by an independent actuary based on a discount rate reflecting the plan's expected return on investments. The plans are governed by an independent board of trustees with representatives of the employer and beneficiaries. Recovery periods are agreed between the plans' trustees and the sponsoring companies and may run up to 20 years if appropriate securities are provided by sponsors. Since the plan only has active members the current asset allocation across United Kingdom plans is predominantly return seeking, with 60.0 % invested in equity and the rest in government and non-government bonds, property and infrastructure.

In **Belgium**, the majority of obligations flow from a defined benefit pension plan which is closed to new entrants. The plan is subject to the Belgian regulatory framework where funding requirements are based on a 6.0 % discount rate and prescribed mortality statistics. In case of underfunding, a deficit must be supplemented immediately. The plan is insured with a professional insurance company. The investment strategy is set by the insurance company.

Worldline's obligations are also generated, but to a lesser extent, by legal or collectively bargained end of service benefit plans and other long term benefits such as jubilee plans.

These plans do not expose Worldline to any specific risks that are unusual for these types of benefit plans. Typical risks include, increase in inflation, longevity and a decrease in discount rates and adverse investment returns.

Worldline recognized all actuarial gains and losses asset ceiling effects generated in the period in other comprehensive income.

Events in 2016

In 2016, Worldline acquired Paysquare and formed a joint venture with Equens. This led to an increase in pension liabilities of € 55.2 million covered by plan assets amounting to € 22.5 million.

Amounts recognized in the financial statements

The amounts recognized in the balance sheet as at December 31, 2016 rely on the following components, determined at each benefit plan's level:

(In € million)	31 December 2016	31 December 2015
Amounts recognized in financial statements consist of :		
Prepaid pension asset – post employment plans	1.5	4.7
Accrued liability – post employment plans	(128.0)	(78.5)
Accrued liability – other long term benefits	(3.6)	(1.0)
Net amounts recognized – Total	(130.1)	(74.8)
Components of net periodic cost		
Service cost (net of employees contributions) *	7.6	9.1
Prior service cost	(1.5)	-
Actuarial (gain)/loss in other long term benefits	(0.5)	-
Operating expense	5.6	9.1
Interest cost	5.2	4.7
Interest income	(3.2)	(2.8)
Financial expense	2.0	1.9
Net periodic pension cost – Total expense/(profit)	7.6	11.0
<i>Of which, net periodic pension cost – post employment plans</i>	<i>7.5</i>	<i>10.9</i>
<i>Of which, net periodic pension cost – other long term benefits</i>	<i>0.1</i>	<i>0.1</i>
Change in defined benefit obligation		
Defined benefit obligation –post employment plans at January 1 st	184.8	178.6
Defined benefit obligation – other long term benefits at January 1 st	1.0	1.0
Total Defined Benefit Obligation at January 1st	185.8	179.6
Exchange rate impact	(10.5)	4.5
Service cost (net of employees contributions)	7.6	9.1
Interest cost	5.2	4.7
Employees contributions	0.7	0.8
Plan amendments	(1.5)	-
Business combinations/(disposals)	52.5	1.8
Benefits paid	(3.5)	(2.9)
Actuarial (gain)/loss - change in financial assumptions	22.9	(9.8)
Actuarial (gain)/loss - change in demographic assumptions	6.6	0.7
Actuarial (gain)/loss - experience results	0.7	(2.7)
Defined benefit obligation at December 31st	266.5	185.8

* Including - in 2015 - € 1.4 million linked to the transfer of staff from Atos - Note 5 "Personnel expenses"

The weighted average duration of the liability is 17.7 years.

(In € million)	31 December 2016	31 December 2015
Change in plan assets		
Fair value of plan assets at January 1st	111.0	99.1
Exchange rate impact	(8.7)	3.6
Actual return on plan assets	11.8	4.7
Employer contributions	1.6	2.9
Employees contributions	0.7	0.8
Benefits paid by the fund	(2.5)	(1.9)
Business combinations/(disposals)	22.5	1.8
Fair value of plan assets at December 31st	136.4	111.0
Reconciliation of prepaid/(accrued) Benefit cost (all plans)		
Funded status-post employment plans	(126.5)	(73.8)
Funded status-other long term benefit plans	(3.6)	(1.0)
Prepaid/(accrued) pension cost	(130.1)	(74.8)
Reconciliation of net amount recognized (all plans)		
Net amount recognized at beginning of year	(74.8)	(80.5)
Net periodic pension cost	(7.6)	(11.1)
Benefits paid by by the employer	1.0	1.1
Employer contributions	1.6	2.9
Business combinations/(disposals)	(30.0)	-
Amounts recognized in Other Comprehensive Income	(22.2)	13.7
Other (exchange rate)	1.9	(0.9)
Net amount recognized at end of year	(130.1)	(74.8)

The obligations in respect of benefit plans which are partially or totally funded through external funds (pension or insurance funds) were € 207.5 million at December 31, 2016 and € 146.3 million at December 31, 2015, representing almost 78% of Worldline total obligations.

Actuarial assumptions

Worldline obligations are valued by independent actuaries, based on assumptions that are periodically updated. These assumptions are set out in the table below:

	United Kingdom		Eurozone	
	2016	2015	2016	2015
Discount rate as at December 31 st	2.80%	3.90%	1.40% ~ 1.95%	2.05% ~ 2.65%
Inflation assumption as at December 31 st	3.25%	3.10%	1.45%	1.75%

The inflation assumption is used for estimating the impact of indexation of pensions in payment or salary inflation based on the various rules of each plan.

Sensitivity of the defined benefit obligations of the significant plans to the discount rate and inflation rate assumptions is as follows:

	Discount rate +25bp	Inflation rate +25bp
United Kingdom main pension plan	-5.5%	+5.5%
German main pension plan	-4.6%	-
Belgian main pension plan	-1.8%	-

These sensitivities are based on calculations made by independent actuaries and do not include cross effects of the various assumptions, they do however include effects that the inflation assumption would have on salary increase assumptions for the United Kingdom. The defined benefit obligations of the plans in Belgium and Germany are not sensitive to the inflation assumption.

Plan assets

Plan assets were invested as follows:

	31 December 2016	31 December 2015
Equity	27%	42%
Bonds	25%	9%
Other (*)	48%	49%

(*) of which 46% of insurance contracts in 2016 and 48% in 2015

Of these assets the equity and bonds are valued at market value. Of the other assets a small proportion relates to illiquid investments where valuations are based on the information provided by the investment managers and the majority relates to insurance contracts.

Summary net impacts on profit and loss and cash

The net impact of defined benefits plans on equensWorldline financial statements can be summarized as follows:

Profit and loss

(In € million)	31 December 2016			31 December 2015		
	Post-employment	Other LT benefit	Total	Post-employment	Other LT benefit	Total
Operating margin	(5.5)	(0.1)	(5.6)	(9.0)	(0.1)	(9.1)
Financial result	(2.0)	-	(2.0)	(1.9)	-	(1.9)
Total (expense)/profit	(7.5)	(0.1)	(7.6)	(10.9)	(0.1)	(11.0)

Cash impacts of pensions

The cash impact of pensions in 2016 was mainly composed of cash contributions to pension or insurance funds for € 1.6 million, the remaining part of € 1.0 million being benefit payments directly made by the group to the beneficiaries.

Contributions in 2017 are expected to be of the same order of magnitude.

Note 22 Provisions

(In € million)	31 December 2015	Charge	Release used	Release unused	Business combination	Other (*)	31 December 2016	Current	Non-current
Project commitments	4.6	0.7	(2.1)	(0.6)	-	(0.2)	2.3	2.0	0.3
Litigations and contingencies	3.6	2.0	(0.6)	(2.1)	21.6	(0.1)	24.5	17.5	7.1
Reorganization	1.6	1.9	(2.4)	(0.3)	2.8	(0.0)	3.6	2.8	0.7
Rationalization	0.4	0.0	(0.2)	-	-	(0.0)	0.1	0.1	-
Total provisions	10.1	4.6	(5.3)	(3.1)	24.4	(0.3)	30.4	22.4	8.0

(*) Other movements mainly consist of currency translation adjustments.

(In € million)	31 December 2014	Charge	Release used	Release unused	Business combinat ion	Other (*)	31 December 2015	Current	Non- current
Project commitments	4.2	2.8	(1.7)	(0.7)	-	-	4.6	3.5	1.1
Litigations and contingencies	5.0	1.3	(0.4)	(2.0)	-	(0.2)	3.6	1.2	2.4
Reorganization	1.3	1.0	(0.7)	-	-	-	1.6	0.7	0.9
Rationalization	0.5	-	(0.1)	-	-	-	0.4	-	0.4
Total provisions	11.0	5.0	(2.9)	(2.8)	-	(0.2)	10.1	5.4	4.8

(*) Other movements mainly consist of currency translation adjustments.

The closing position of contingency provisions of € 24.5 million included a number of long-term litigation issues, such as tax contingencies and social disputes, guarantees given on disposals and other disputes with clients and suppliers. The legal department and the lawyers of the Group closely monitor these situations with a view to minimize the ultimate liability.

Note 23 Borrowings

(In € million)	31 December 2016			31 December 2015		
	Cur- rent	Non- current	Total	Cur- rent	Non- current	Total
Finance leases	0.1	2.0	2.1	0.3	1.4	1.7
Overdrafts	14.5	-	14.5	19.1	-	19.1
Current accounts with Atos entities	2.5	-	2.5	9.0	-	9.0
Other borrowings	6.9	0.2	7.1	0.1	0.1	0.2
Total borrowings	24.1	2.2	26.3	28.5	1.5	30.0

Current accounts with a short-term maturity – less than one month- have no remuneration.

Under "Other Borrowings", the Group has recognized a financial liability of € 6.7 million related to Cataps acquisition as at December 31, 2016 corresponding to the fair value of the put option owned by Non-Controlling Interests on the outstanding of 20 % shares exercisable at any time from the date of the transaction.

Borrowings in currencies

(In € million)	EUR	Other currencies	Total
31 December 2016	26.0	0.3	26.3
31 December 2015	29.7	0.3	30.0

Non-current borrowings maturity

(In € million)	2018	2019	2020	2021	>2021	Total
Finance leases	0.7	0.1	0.1	0.1	0.9	2.0
Other borrowings		0.1				0.1
As at December 31st, 2016 long-term debt	0.7	0.2	0.1	0.1	0.9	2.1

(In € million)	2017	2018	2019	2020	>2020	Total
Finance leases	0.1	0.1	0.1	0.1	1.0	1.4
Other borrowings	-	0.1	-	-	-	0.1
As at December 31st, 2015 long-term debt	0.1	0.2	0.1	0.1	1.0	1.5

Assumptions retained regarding the presentation of the maturity of non-current borrowings

The evaluation of financial liabilities has been conducted based on:

- Exchange rates prevailing as at December 31st, 2016, and
- Interest rate presented hereafter.

The effective interest rates in 2016 were as follows:

(In € million)	Carrying value	Fair value	Effective interest rate
Finance leases	2.1	2.1	2.91%
Other borrowings	7.1	7.1	
Total borrowings	9.2	9.2	

Change in net cash/(debt) over the period

(In € million)	31 December 2016	31 December 2015
Opening net cash/(debt)	323.3	203.1
New borrowings	(0.8)	-
Repayment of long and medium-term borrowings	0.6	0.9
Variance in net cash and cash equivalents	80.0	125.4
New finance leases	(0.2)	(0.1)
Long and medium-term debt of companies acquired during the period	(7.1)	-
Impact of exchange rate fluctuations on net long and medium-term debt	3.0	(5.9)
Closing net cash/(debt)	398.9	323.3

Net Cash/ (debt)

(In € million)	31 December 2016	31 December 2015
Cash and cash equivalents	425.2	353.3
Borrowings	(2.2)	(1.5)
Current portion of borrowings	(24.1)	(28.5)
Total	398.9	323.3

Note 24 Trade accounts and notes payable

(In € million)	31 December 2016	31 December 2015
Trade payables and notes payable	274.9	189.0
Trade payables and notes payable	274.9	189.0
Advance payments	(2.1)	(1.4)
Prepaid expenses	(60.1)	(28.4)
Net accounts payable	212.7	159.2
Number of days payable outstanding (DPO)	70	63

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

Note 25 Other current liabilities

(In € million)	31 December 2016	31 December 2015
Advances and down payments received on client orders	12.9	9.0
Employee-related liabilities	76.0	64.2
Social security and other employee welfare liabilities	35.3	36.0
VAT payable	39.2	41.5
Deferred income	81.8	40.0
Other operating liabilities	25.9	21.3
Total	271.1	212.0

Other current liabilities are expected to be settled within one year, except for deferred income that is released over the particular arrangement of the corresponding contract.

Note 26 Off balance sheet commitments

Contractual commitments

The table below illustrates the minimum future payments for firm obligations and commitments over the coming years. Amounts indicated under the finance leases caption are recorded in the Group statement of financial position.

(In € million)	Maturing				31 December 2015
	31 December 2016	Up to 1 year	1 to 5 years	Over 5 years	
Finance leases	2.1	0.1	2.0	-	1.7
Recorded on the balance sheet	2.1	0.1	2.0	-	1.7
Operating leases: land, buildings, fittings	102.7	18.9	52.2	31.6	97.3
Operating leases: IT equipment	0.9	0.5	0.4	-	0.2
Operating leases: other fixed assets	9.9	4.1	5.8	-	9.4
Non-cancellable purchase obligations (> 5 years)	12.0	12.0	-	-	9.9
Commitments	125.5	35.5	58.4	31.6	116.8
Total	127.6	35.6	60.4	31.6	118.5

Commercial commitments

(In € million)	31 December 2016	31 December 2015
Bank guarantees	32.6	15.4
- Operational - Performance	17.9	13.3
- Operational - Bid	0.1	0.1
- Operational - Advance Payment	2.0	2.0
- Financial or Other	12.6	-
Parental guarantees	30.3	3.9
- Operational - Performance	30.3	3.9
Pledges	1.4	-
Total	64.3	19.3

For various large long term contracts, the Group provides parental guarantees to its clients. These guarantees amount to € 30.3 million as of December 31st, 2016, compared to € 3.9 million at the end of December 2015.

Note 27 Related parties

The related parties include:

- Worldline's parent company (Atos SE) and its subsidiaries which are not part of the Worldline's consolidation scope;
- The entities that are controlled or jointly controlled by the Group, the entities that are a post-employment defined benefit plan for the benefit of the employees of the Group or the entities that are controlled or jointly controlled by a member of the key management personnel of the Group; and
- The key management personnel of the Group, defined as persons who have the authority and responsibility for planning, directing and controlling the activity of the Group, namely members of the Board of Directors as well as the Chief Executive Officer.

Transactions between Worldline and its subsidiaries, which are related parties, have been eliminated in consolidation and are not disclosed in this note.

Transactions between the related parties

The main transactions between the related entities are composed 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)	12 months ended 31 December 2016	12 months ended 31 December 2015
Revenue	47.7	50.6
Operating income / expenses	(104.8)	(118.4)
Other operating expenses	(1.4)	(1.0)
Net cost of financial debt	(0.7)	(1.1)

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

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015
Trade accounts and notes receivables	12.1	23.0
Other current assets	22.7	19.7
Current accounts & cash agreement - Assets	1.4	0.1
Trade accounts and notes payables	47.0	26.1
Other current liabilities	2.2	7.1
Current accounts & cash agreement with Atos entities - Liabilities	2.5	9.0

The off balance sheet commitments regarding the related parties are detailed as follows:

(In € million)	31		Maturing		31
	December	Up to 1	1 to 5	Over 5	December
	2016	year	years	years	2015
Operating leases: land, buildings, fittings	29.4	5.6	20.9	2.9	31.7
Operating leases: IT equipment	0.1	0.1	-	-	0.1
Non-cancellable purchase obligations (> 5 years)	0.5	0.1	0.3	0.1	0.5
Commitments	30.0	5.8	21.2	3.0	32.3
Total	30.0	5.8	21.2	3.0	32.3

Cost of Key management personnel of the Group

In 2016, the expenses related to key management personnel included:

- Those related to the Worldline CEO in accordance with the regulated agreement entered into with Atos in relation to his dedication and remuneration;
- The expenses related to the General Manager;
- The cost of the members of the Board (Director's fees expensed in 2016).

No cost was recorded in relation to the Chairman of the Board of Directors.

The distribution of the expense recorded in the consolidated financial statements for key management of the Group is as follows:

(In € million)	12 months ended 31 December 2016	12 months ended 31 December 2015
Short-term benefits	1.5	1.5
Employer contributions	0.5	0.6
Free share plans & stock options (*)	1.2	0.5
Total	3.2	2.6

(*) Worldline stock options and free shares plans granted to key management personnel of Worldline as of September 03, 2014, September 01, 2015 and July 25, 2016

Short-term benefits include salaries, bonuses and fringe benefits. On performance shares and stock options, the cost includes the IFRS 2 charge on the prorata temporis since the grant date.

Bonuses correspond to the total charge reflected in the income statement including the bonuses effectively paid during the year, the accruals related to current year and the release of accruals relating to previous year. No post-employment compensation has been paid to the key management personnel during the year.

Note 28 Market risk

Foreign exchange risk

Majority of the Group's revenues, expenses and obligations are denominated in euro. In 2016, 81.7% of the Group's revenues were generated in euro-zone countries whereas 18.3% were generated in non-euro zone countries, including 9.5% in pounds sterling. Since the Group's financial statements are denominated in euros, its revenues are affected by the relative value of the euro versus the currency of the non-euro zone countries in which it generates revenues (currency translation exposure). In terms of currency transaction exposure (i.e., a mismatch between the currencies in which revenues are generated and costs are incurred), the Group considers its exposure to be limited as its costs in the euro zone are generally incurred in euros and its revenues are generated in euros and in non-eurozone countries it generally makes its sales and incurs the majority of its operating expenses in the local currency.

The Group maintains a policy for managing its foreign exchange position if and to the extent it enters into commercial or financial transactions denominated in currencies that differ from the relevant local currencies. Pursuant to this policy, any material foreign exchange rate exposure must be hedged as soon as it occurs using various financial instruments, including, principally, forward contracts and foreign currency swaps. As of December 31st, 2016, the Group did not have any material foreign exchange rate exposure and did not have any such hedging instruments in place.

Interest rate risk

All of the Group's borrowings, the vast majority of which are with Atos group as lender, and deposits bear interest at floating interest rates mainly based on Euribor or EONIA plus or minus a margin. The Group considers that its exposure to interest rate fluctuations is not material considering it does not bear any net debt. Net cash (Borrowings net of cash and cash equivalents) of the Group as of December 31st, 2016 was € 398.9 million.

Liquidity risk

Liquidity risk management involves maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities.

Worldline's policy is to cover fully its expected liquidity requirements by a long-term committed line of credit. Terms and conditions of the loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

In line with this policy, Worldline SA as Borrower signed on 26 June 2014, a Revolving Credit Facility (RCF) with Atos SE as Lender for an amount € 300 million revolving credit facility in order to cover the Group's liquidity requirements, including potential temporary fluctuations in its working capital needs. The RCF has a duration extended in 2015 until 26 June 2019 and contains no financial covenants. There is no utilization of the RCF since Worldline is holding a position of net cash.

Credit and/or Counterparty Risk

Credit and/or counterparty risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group believes that it has limited exposure to concentrations of credit risk due to its large and diverse customer base. The Group's greatest credit risk position is borne with respect to its financial institution customers. The Group manages this credit risk by consistently selecting leading financial institutions as clients and by using several banking partners.

The Group is also exposed to some credit risk in connection with its commercial acquiring and checks services businesses:

- *Commercial acquiring.* For each transaction, the Group provides a performance guarantee to the merchant in respect the cardholder's payment. Therefore, the Group is exposed to a credit risk in the event of non-payment by the cardholder. Additionally, the Group offers a guarantee of "service rendered" to the cardholder. Accordingly, in the event a merchant goes bankrupt (or ceases to operate) before delivering the product or rendering the service purchased by a cardholder, the cardholder can require the Group to reimburse it for the amount of the transaction. This credit risk exposure is especially significant where services are purchased through e-Commerce well in advance of the time that they are actually rendered (e.g., ticket purchases through travel agencies). The Group monitors these risks by selecting financially sound

clients, requesting guarantees (collateral build up, delegation of insurance, etc.) and checking daily transaction flows to avoid excessive exposure to these risks.

- *Cheque services.* Under its Cheque Service business, the Group pays its merchant clients indemnities for unpaid Cheques that have been approved by the Group based on a credit scoring system. To the extent that fees received from merchants for this service are less than the average levels of bad Cheques, the activity can become loss-making. The Group manages this risk by analysing bad debt levels for each type of merchant business and adjusts fees charged to merchants accordingly.

Note 29 Operating entities part of scope of consolidation as of December 31st, 2016

	% of Interest	Consolidation method	% of Control	Address
FRANCE				
Worldline SA	100	FC	100	80, quai Voltaire - 95870 Bezons
Mantis SAS	63.6	FC	100	55 rue de Tivoli - 75001 Paris
Worldline Participation 1	100	FC	100	80, quai Voltaire - 95870 Bezons
Santeos	100	FC	100	80, quai Voltaire - 95870 Bezons
Worldline Bourgogne	100	FC	100	80, quai Voltaire - 95870 Bezons
Arabor	63.6	FC	100	80, quai Voltaire - 95870 Bezons
Similo SAS	100	FC	100	80, quai Voltaire - 95870 Bezons
GERMANY				
equensWorldline GmbH	63.6	FC	100	Hahnstraße 25 - 60528 Frankfurt - Germany
Worldline Germany GmbH	100	FC	100	Hahnstraße 25 - 60528 Frankfurt - Germany
DZ Service GmbH	63.6	FC	100	Dieselstrasse 1 - 76227 Karlsruhe - Germany
BD-POS GmbH	100	FC	100	Hörselbergblick 1 - 99820 Hörselberg-Hainich - Germany
THE NETHERLANDS				
Worldline B.V.	100	FC	100	Wolweverstraat 18 - 2980 CD Ridderkerk - The Netherlands
equensWorldline SE	63.6	FC	100	Eendrachtlaan 315 - 3526 LB Utrecht - The Netherlands
InterEGI B.V.	63.6	FC	100	Eendrachtlaan 315 - 3526 LB Utrecht - The Netherlands
Paysquare SE	100	FC	100	Eendrachtlaan 315 - 3526 LB Utrecht - The Netherlands
BELGIUM				
Worldline NV/SA	100	FC	100	Chaussée de Haecht 1442 - B-1130 Brussel - Belgium
Worldline PropCo SA	100	FC	100	Chaussée de Haecht 1442 - B-1130 Brussel - Belgium
OTHER EUROPE - MIDDLE EAST - AFRICA				
Austria				
Worldline Austria GmbH	100	FC	100	Siemensstraße 92 - 1210 Vienna - Austria
Czech Republic				
Cataps s.r.o.	100	FC	100	Lazarská 11/6 - 120 000 Praha 2 - Czech Republic
Luxembourg				
Worldline Luxembourg SA	100	FC	100	2, rue Nicolas Bové - L1253 Luxembourg
Spain				
Worldline Iberia SA	100	FC	100	Avda. Diagonal, 210-218 - Barcelona 08018 - Spain
The United Kingdom				
Worldline IT Services UK Limited	100	FC	100	4 Triton Square - Regent's Place - London, NW1 3HG-United Kingdom

	% of Interest	Consolidation method	% of Control	Address
ASIA PACIFIC				
China				
Worldline (China) Co Ltd	100	FC	100	Building B, No.7, Zhonghuan South Road WangJing, Chaoyang District Beijing 100102 People Republic of China
Hong Kong				
Worldline International (Hong Kong) Co Limited	100	FC	100	8/F Octa Tower, 8 Lam Chak Street, Kowloon Bay, Kowloon, Hong Kong
India				
Worldline India Private Ltd	100	FC	100	Raiaskaran Tech park, 2nd Floor of Tower I,Phase II, Sakinaka, M.V. Road, Andheri (East), Mumbai -400072 India
Indonesia				
PT Worldline International Indonesia	100	FC	100	Plaza Sentral - 19th Floor, Jl. Jend. Sudirman No.47 Jakarta 12930 Indonesia
Malaysia				
Worldline International (Malaysia) Sdn. Bhd	100	FC	100	Suite 19.02, Level 19 Centrepoint South Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Malaysia
Singapore				
Worldline IT and Payment Services (Singapore) Pte Ltd	100	FC	100	Blk 988 Toa Payoh North, #07-02/03, Singapore 319002
Taiwan				
Worldline (Taiwan)	100	FC	100	5F, No.100, Sec.3, Min Sheng E. Road - Taipei 105 - Taiwan - R.O.C.
AMERICAS				
Argentina				
Atos IT Solutions and Services SA	100	FC	100	Cnel. Manuel Arias 3751 - piso 18 - C.A.B.A
Chili				
Worldline Chile S.A	100	FC	100	Av. Andres Bello 2115, piso 7, Providencia 7510094 – Santiago de Chile – Chile

Note 30 Auditors' Fees

(In € Thousands) and %)	Deloitte				Grant Thornton			
	Deloitte & Associés		Réseau		Grant Thornton		Réseau	
	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	330.0	80%	0.0	0%	200.0	90%	0.0	0%
Subsidiaries	11.0	3%	817.0	35%	21.0	10%	135.0	100%
Sub-total Audit	341.0	83%	817.0	35%	221.0	100%	135.0	100%
Non audit services (*)								
Parent company	71.0	17%	1,335.0	57%	0.0	0%	0.0	0%
Subsidiaries	0.0	0%	171.0	7%	0.0	0%	0.0	0%
Sub-total Non Audit	71.0	17%	1,506.0	65%	0.0	0%	0.0	0%
Total fees 2016	412.0	100%	2,323.0	100%	221.0	100%	135.0	100%

(*) In 2016, non audit services notably include € 0.8 million of fees related to the transaction between Worldline and Equens.

(In € Thousands) and %)	Deloitte				Grant Thornton			
	Deloitte & Associés		Réseau		Grant Thornton		Réseau	
	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	248.0	33%	-	-	122.0	80%	-	-
Subsidiaries	34.0	5%	482.0	26%	-	-	90.0	100%
Sub-total Audit	282.0	38%	482.0	26%	122.0	80%	90.0	100%
Non audit services (*)								
Parent company	454.0	61%	1,267.0	68%	30.0	20%	-	-
Subsidiaries	6.0	1%	124.0	7%	-	-	-	-
Sub-total Non Audit	460.0	62%	1,391.0	74%	30.0	20%	-	-
Total fees 2015	742.0	100%	1,873.0	100%	152.0	100%	90.0	100%

(*) In 2015, non audit services notably included € 1.6 million of fees related to the transaction between Worldline and Equens.

Note 31 Subsequent events

There is no subsequent event post 2016 closing.