



2014 Financial Report

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A OPERATIONAL REVIEW

A.1 Executive Summary

Revenue stood at € 1149.3 million in 2014 representing an organic growth at constant scope and exchange rates of 2.8% or € 31.1 million. All three Global Business Lines contributed to this growth.

Merchant Services & Terminals (MST), which represents 33% of Worldline's revenue, grew by +2.0% (€+7.4 million). The volume growth was robust in Commercial Acquiring, Private Label Cards & Loyalty Services and Online Services. The overall growth of the Global Business Line accelerated during the year thanks to the progressive recovery of the Payment Terminal activity.

Representing 34% Worldline's revenue, Financial Processing & Software Licensing ("FPL") grew by +1.4% (€+5.4 million), driven by fast growing volumes in Online Banking Services on new offers like e-SEPA transfers and by Payment Software Licensing activities, especially in Asia with leading Chinese banks. Issuing Processing was stable, while Acquiring Processing was impacted by the effect of the insourcing of one contract in France.

Representing 33% of total revenue, Mobility & e-Transactional Services ("MTS") grew by +5.1% (€+18.2 million) compared to 2013. The growth continued in e-Ticketing, driven by the activities in the United Kingdom transport industry and in automated fare collection in Latin America. The Global Business Line benefitted also from digital transformation services delivered to Atos' customers, notably in the field of machine to machine connectivity, as part of the sales synergy program.

As a percentage of revenue, Worldline's Operating Margin before Depreciation and Amortization ("OMDA") increased by 50 basis points and reached € 215.1 million or 18.7% of revenue. Thanks to volume growth and the first results from the TEAM transformation plan, Financial Processing & Software Licensing (+190 basis points) and Merchant Services & Terminals (+50 basis points) contributed to this improvement, while the OMDA percentage in Mobility & e-Transactional Services declined by 70 basis points due to a committed price decrease for a UK customer in the public sector and an unfavorable mix of business in France, with more projects starting or at the transition phase compared with last year.

The full backlog at the end of December 2014 amounted to € 1.7 billion and represented 1.5 year of revenue, slightly improving compared to the previous year.

Worldline total number of employees was 7,303 at the end of December 2014, increasing by +98 employees (or +1.4%) year on year. The overall Direct headcount increased by 0.7%. Attrition rate remained low at 6.6%.

A.2 Statutory to constant scope and exchange rates reconciliation

As described in the IPO Registration Document (the "Document de Base"), 2013 combined audited financial statements have been modified with the purpose to present Worldline financial statements as if the demerger from Atos had been carried out on January 1st, 2013 and therefore as if Worldline had operated as a separate, self-managing listed group as from that date (the "Pro forma Accounts" of the Document de Base).

Reconciliation between the 2013 combined financial statements and pro forma at constant scope and foreign exchange rates is presented below

In € million	Registration Document « Pro forma Accounts »				FY 2013*
	FY 2013 statutory (combined)	Scope effect	Proforma effects	Exchange rates effect	
Revenue	1,135.1	-9.8		-7.1	1,118.2
OMDA	203.2	0.5	0.6	-1.2	203.1
OMDA%	17.9%				18.2%

* Proforma at constant scope and exchange rates

Scope effect of €-9.8 million on revenue and €+0.5 million on OMDA, corresponds to the transfer to Atos, effective as of January 1, 2014, of the project portion of the Transport for Greater Manchester contract. Pro forma effects were minor at €+0.6 million and comprise the adjustments to Worldline cost base to reflect a standalone activity. Last, Exchange rate effects reflect the variations of the British Pound and of some Latin America and Asian currencies.

The figures presented in this Operational Review are based on the 2013 pro forma at constant scope and foreign exchange rates.

A.2.1 Revenue

Revenue in 2014 amounted to € 1,149.3 million, representing an organic change of +2.8% compared to pro forma revenue at constant scope and exchange rates of € 1,118.2 million in 2013.

Reconciliation between the 2013 combined revenue and pro forma revenue at constant scope and foreign exchange rates, per Global Business Line and by country, is presented below

Revenue					
In € million	FY 2013 statutory (combined)	Scope effect	Proforma effects	Exchange rates effect	FY 2013*
MS&T	364.6			1.8	366.4
FPL	391.7			-1.1	390.7
MTS	378.8	-9.8		-7.8	361.2
Worldline	1,135.1	-9.8		-7.1	1,118.2

In € million	FY 2013 statutory (combined)	Scope effect	Proforma effects	Exchange rates effect	FY 2013*
France	413.5				413.5
Benelux	333.2				333.2
UK	147.7	-9.8		7.5	145.3
Germany / CEE	111.2				111.2
LATAM / Iberia	73.5			-13.3	60.3
Asia	56.0			-1.3	54.7
Worldline	1,135.1	-9.8		-7.1	1,118.2

A.2.2 Operating margin before Depreciation and Amortization (OMDA)

OMDA for 2014 amounted to € 215.1 million, representing 18.7% of revenue, an improvement of +50 basis points compared with the pro forma at constant scope for 2013.

Reconciliation between 2013 combined OMDA and pro forma OMDA at constant scope and foreign exchange rates, per Global Business Line, is presented below

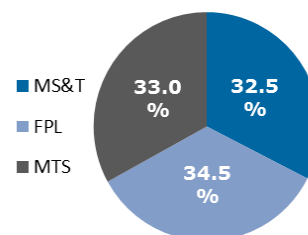
<i>In € million</i>	OMDA				FY 2013*
	FY 2013 statutory (combined)	Scope effect	Proforma effects	Exchange rates effect	
MS&T	78.9		-1.3	-0.3	77.4
FPL	88.9		2.5	-0.3	91.1
MTS	53.6	0.5	-1.2	-0.6	52.2
Corporate	-18.1		0.6		-17.6
Worldline	203.2	0.5	0.6	-1.2	203.1

A.3 Revenue profile

Worldline's revenue profile remained balanced in 2014, with each Global Business Line representing circa one third of Worldline's revenue.

Revenue			
<i>In € million</i>	FY 2014	FY 2013*	OG %
Merchant Services & Terminals	373.8	366.4	+2.0%
Financial Processing & Software Licensing	396.1	390.7	+1.4%
Mobility & e-Transactional Services	379.4	361.2	+5.1%
Worldline	1,149.3	1,118.2	+2.8%

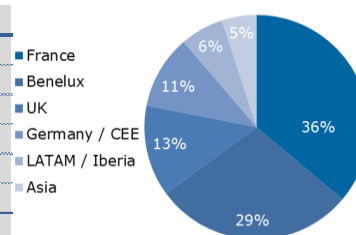
* Pro forma at constant scope and exchange rates



Europe remained Worldline's main operational base, generating 89% of total revenue compared to 90% in 2013 at constant scope and exchange rates. This slight increase of the weight of non-European operations is a result from the growth achieved primarily in Latin America and Asia.

Revenue			
<i>In € million</i>	FY 2014	FY 2013*	OG %
France	415.0	413.5	+0.3%
Benelux	331.0	333.2	-0.7%
UK	151.3	145.3	+4.1%
Germany / CEE	122.1	111.2	+9.8%
LATAM / Iberia	72.3	60.3	+19.9%
Asia	57.7	54.7	+5.5%
Worldline	1,149.3	1,118.2	+2.8%

* Pro forma at constant scope and exchange rates



A.4 Performance by Global Business Line

In € million	Revenue			OMDA		OMDA %	
	FY 2014	FY 2013*	% Growth	FY 2014	FY 2013*	FY 2014	FY 2013*
Merchant Services & Terminals	373.8	366.4	+2.0%	80.8	77.4	21.6%	21.1%
Financial Processing & Software Licensing	396.1	390.7	+1.4%	99.6	91.1	25.2%	23.3%
Mobility & e-Transactional Services	379.4	361.2	+5.1%	51.9	52.2	13.7%	14.4%
Corporate Costs				-17.2	-17.6	-1.5%	-1.6%
Worldline	1,149.3	1,118.2	+2.8%	215.1	203.1	18.7%	18.2%

* Proforma at constant scope and exchange rates

A.4.1 Merchant Services and Terminals

Merchant Services & Terminals			
In € million	FY 2014	FY 2013*	Change
Revenue	373.8	366.4	+2.0%
OMDA	80.8	77.4	
OMDA%	21.6%	21.1%	+0.5pt

* Proforma at Constant Scope and exchange rates

Revenue

The **Merchant Services & Terminals** revenue at € 373.8 million, improved by € +7.4 million or +2.0% compared to 2013.

- Growth in the main activity in this GBL, **Commercial acquiring**, was supported by the rise in number of transactions (+6%). This increase was also driven by the roll out of innovative solutions: value added services, multi-currency convertor, Doccle eCS services.
- **Private Label cards & Loyalty services** benefited from Merchant Network volume increase in the United Kingdom and by good sales of ticketing kiosks. The number of transactions on private label cards increased by 9% during the year.
- In **Online services**, the on-line payment gateway activity was supported by volume growth and good activity in the United Kingdom, notably with projects in the public sector and with Cineworld, as well as from works linked to the closure of the Buyster joint venture. E-Commerce activities remained stable.
- **Payment Terminals** activity declined due to less unit sold in international (i.e. outside of Benelux) markets because of competitive market conditions in the Nordics and product roadmap delays. However, this activity recovered steadily along the year and number of terminal shipped increased by 12% in H2 2014 compared with H1 2014. This improvement through the penetration of new markets, particularly in Germany with a significant sale to a leading retailer.

OMDA

Merchant Services & Terminals OMDA was up €+3.4 million compared to 2013 to reach **€ 80.8 million** or 21.6% of revenue, increasing by **+50 basis points** year-on-year due mainly to:

- Rise in volumes in Commercial Acquiring and Private Label cards & Loyalty Services;
- Benefit of the cost optimization projects of the TEAM program.

These positive factors more than compensated difficulties encountered on some specific projects, in particular in the United Kingdom. Also in 2014, some accounting adjustments that originated before the carve-out have been neutralized by Atos (please refer to note 23 of the consolidated financial statements).

A.4.2 Financial Processing and Software Licensing

Financial processing & Software Licensing			
<i>In € million</i>	FY 2014	FY 2013*	Change
Revenue	396.1	390.7	+1.4%
OMDA	99.6	91.1	
OMDA%	25.2%	23.3%	+1.9pt

* Proforma at Constant Scope and exchange rates

Revenue

In 2014, **Financial Processing and Software Licensing** revenue was € 396.1 million, up €+5.4 million or **+1.4%** compared to 2013. The activity in H1 was particularly strong thanks to project activity linked to BCMC mobile wallet in Belgium and other satellite offers (fraud, etc.).

For the full year 2014:

- Main growth driver was **Online banking** thanks to the success of iDeal e-payment solution in the Netherlands as well as strong SEPA volumes and e-services for banks in France and Germany. Number of e-SEPA transactions more than doubled during the year.
- **Payment Software Licensing** benefited from implementation services in APAC, with notably large Cardlink projects with leading banks in China, as well as from projects in Spain and Germany.
- **Issuing Processing** was stable for the full year, with growth in the first semester. The volumes continued to grow steadily (+11% in number of transactions) and the growth was supported by new bolt-on offers. However, the second semester was affected by less project activities and the impact of contract renegotiations including changes in scope of activities, such as the end of statements services for some banks in Belgium.
- **Acquiring Processing** declined as it was impacted by the decrease of the Cheque activity and the re-insourcing of the acquiring processing for a large French bank effective from March. Number of acquiring transactions therefore decreased by -1% (+9% excluding the effect of the re-insourcing aforementioned).

The Sales Synergy Program with Atos, notably with large banking clients in France, contributed to the Global Business Line's growth.

OMDA

Financial Processing & Software Licensing reached an **OMDA** of € 99.6 million or **25.2%**, an increase of €+8.5 million or 190 basis points in 2014 compared to 2013. This improvement was due to:

- A good dynamic in volumes in France and in Germany, both in issuing processing and in online banking.
- The mitigation of price decrease of contracts with major banks in Belgium by efficient initiatives from the TEAM program and strong action plan on cost optimization (both on application and delivery sides).
- A favorable revenue mix effect linked to the progression of volumes and lower project activity.

These good performances absorbed the impact on OMDA of the loss of the French acquiring processing contract aforementioned and the decrease of the cheque business.

A.4.3 Mobility and e-Transactional services

Mobility & e-Transactional Services			
<i>In € million</i>	FY 2014	FY 2013*	Change
Revenue	379.4	361.2	+5.1%
OMDA	51.9	52.2	
OMDA%	13.7%	14.4%	-0.7pt

* Proforma at Constant Scope and exchange rates

Revenue

The **Mobility & e-Transactional Services** revenue reached € 379.4 million, growing by € +18.2 million or +5.1% compared to last year.

- This growth originates mainly in **e-Ticketing**. Rail solutions revenue grew in the United Kingdom thanks to WebTIS volume rise and new projects such as with Network Rail. Automatic Fare Collection in Argentina achieved also a good performance thanks to volume increase and new projects like Tucuman and Mar del Plata.
- In **e-Government Collection**:
 - Latin America showed a strong growth, particularly for Tax Collection due to volume increase.
 - Activity in France was slightly positive in a macroeconomic context of pressure on public spending. The slight growth resulted from a mix of projects ramp up and new digitization projects (such as subsidy management for the French state) compensated by some end of contract or scope reduction, mainly from biometric passports and online tax return.
 - In the United Kingdom, revenue was impacted by the committed price reduction on a UK public sector contract.
- **e-Consumer & Mobility** revenue slightly increased in 2014. This trend results mainly from growth of Connected Living projects in France and in Germany.

Revenue growth in Mobility and e-Transactional Services benefitted also from digital transformation services delivered to Atos' customers, notably in the field of machine to machine connectivity, as part of the sales synergy program with Atos.

OMDA

OMDA reached **€ 51.9 million** or **13.7%** of revenue. As anticipated, the Global Business Line profitability was affected by a significant committed price reduction on a specific UK Government contract that took place in the course of 2013. The profitability recovered during the year, benefitting from various efficiency actions, and showed a +180 bp improvement of the OMDA in H2 2014 when compared with H2 2013.

A.5 Performance by geography

The primary operating segments of the Group are the GBLs. The secondary axis is the geographies, which revenue are 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).

Revenue			
<i>In € million</i>	FY 2014	FY 2013*	OG %
France	415.0	413.5	+0.3%
Benelux	331.0	333.2	-0.7%
UK	151.3	145.3	+4.1%
Germany / CEE	122.1	111.2	+9.8%
LATAM / Iberia	72.3	60.3	+19.9%
Asia	57.7	54.7	+5.5%
Worldline	1,149.3	1,118.2	+2.8%

* Pro forma at constant scope and exchange rates

France posted revenue of €415.0 million, slightly increasing by +0.3% compared to 2013, with contrasted evolutions between the 3 Global Business Lines, Merchant Services & Terminals and Financial Processing & Licensing growth being partly offset by the decrease in Mobility & e-Transactional Services.

Benelux had revenue of € 331.0 million in 2013, a slight decrease of -0.7% compared with 2013. **MS&T** evolution was two folded with a steady growth of the commercial acquiring business, particularly in the e-commerce sector and thanks to new added value services, while the Payment Terminal business decreased for the year. Revenue in **FPL** (issuing processing) also decreased due to price pressure following the renewal of all the issuing processing contracts end of 2013.

UK revenue in 2013 was € 151.3 million, up +4.1% compared to 2013, benefitting in the Private Label Card business (Premier Inn, Fuel Genie) as well as in the e-Ticketing business from a combination of ramp up in volumes and start up of new projects. These positive effects could offset the impact of a significant contractual price decrease in e-Government.

In **Germany and CEE**, the revenue amounted to € 122.1 million in 2014, representing a growth of +9.8%. Activity in FPL was boosted by the Online Banking business with strong revenue flow from Ideal and from SEPA offers. Issuing processing remained supported by volumes progression while **MTS** progressed significantly, with a good momentum in the e-Government business in Austria, and benefit from the sale synergy program with Atos.

Latam Iberia had revenue of € 72.3 million, representing a growth of +19.9%, concentrated in the **Latin America** countries (Argentina and Chile). In **Latin America**, both segments e-Ticketing and e-Government collection were very well oriented in 2014 thanks to new projects like Tucuman city, and price & volume increase for existing customers.

Finally, the **Asia** region posted a +5.5% revenue growth year on year, reaching € 57.7 million in 2014, including a double digit growth in India. Licensing, in the rest of the APAC countries, benefited from ramp up of projects in China (in particular a software platform migration project with a leading Chinese bank).

A.6 Portfolio

A.6.1 Main signatures

Worldline saw in 2014 the tangible benefits of its new organization by Global Business Lines, which enabled the **internationalization of its offerings**. This translated in major commercial developments in 2014, such as the development of merchant acquiring outside of Belgium (+32% in the Netherland), e-commerce in Spain with a major retailer, the award of machine to machine connectivity contracts in China with a leading household appliances manufacturer and the sale of payment terminals in new markets, with breakthroughs notably in Germany.

The fast development of mobile payment was confirmed in 2014. Worldline maintained its European leadership position in **e-wallet** transaction processing with contracts signed with Paylib in France, BCMC and Sixdots in Belgium and a German bank (MasterPass).

Last, during the year, the Group succeeded in securing **all major processing contracts renewals**, notably with large European banks. Some migrations to new WIPE modules were agreed, in particular with Belgium and German banks for acceptance services and with French banks.

A.6.2 Full backlog

The **full backlog** at the end of December 2014 amounted to € 1.7 billion and represented 1.5 year of revenue.

A.7 Human Resources

The total number of employees was 7,303 at the end of December 2014 compared with 7,205 at the end of December 2013, representing a net increase of +98 staff over 2014.

Direct workforce increased by +47 employees over the period and direct headcount closed at 6,670 at end of December 2014, stable at 91.3% of Worldline's total headcount compared to December 2013.

Headcount movements in 2014 are detailed by nature and country here below:

Headcount	Opening JAN-14	Hiring	Leavers	Dismiss / Restruc	Other	Closing DEC -14	Changes	%
France	2,726	+106	-99	-30	-33	2,670	-56	-2.1%
Benelux	1,036	+105	-42	-10	-11	1,078	+42	4.1%
Germany / CEE	795	+25	-24	-2	-20	774	-21	-2.6%
Asia	729	+192	-152	-2	+19	786	+57	7.8%
LATAM / Iberia	753	+85	-58	-29	-2	749	-4	-0.5%
UK	584	+89	-56	-5	+1	613	+29	5.0%
Direct	6,623	+602	-431	-78	-46	6,670	+47	0.7%
Indirect	582	+80	-43	-25	+39	633	+51	8.8%
Total (D+I)	7,205	+682	-474	-103	-7	7,303	+98	1.4%

Direct staffs decreased in France by 56 headcounts, due to efficiency gains while internal IT headcounts were reclassified from direct to indirect (18 employees). Benelux reinforced its teams in commercial acquiring and hired headcount to comply with National bank and scheme regulations. External subcontractors were also replaced by direct workforce. Headcount increased consequently by 42 employees over the period. Benefitting from rise in volume and efficiency gains, Germany and Central & Eastern Europe could slightly reduce the number of direct employee (-21) while revenue grew by 9.8%. Direct workforce increased in Asia (+57 headcount) reflecting the increased activity in this geography. Direct headcount (+29 headcount) increased in the UK. This is the result of actions taken to reduce the number of external subcontractors and the start of a succession plan for the aging population. The latter takes into account a foreseen increase in attrition due to retirements within the next three years, the recruits are mainly juniors, graduates and transfers from Atos UK.

Indirect headcount increased by 51 headcount due primarily to the reinforcement of the salesforce and to some reclassification of staff from direct to indirect.

The overall direct headcount increased by 0.7% while the headcount located in Europe decreased over the period from 84.5% of the direct headcount at the end of December 2013 to 84.0% at the end of December 2014.

78 Direct and 25 indirect staff were dismissed or restructured during year 2014. The Other category consists in other types of leavers (agreed terminations of contracts, deaths) as well as employees who changed from Direct/Indirect categories as a consequence of a promotion. The increase of 39 Indirect profiles is the result of promotions involving a change from Direct to Indirect categories (30 employees) and transfer from Atos Group (9 employees).

The voluntary attrition rate (YTD) for direct employees remained low at 6.5% at the end of 2014. Overall voluntary attrition rate was -6.6% for the same period.

Country	Attrition
France	3.7%
Benelux	4.0%
Germany / CEE	3.1%
Asia	19.9%
LATAM / Iberia	7.7%
UK	9.4%
Direct	6.5%
Indirect	7.0%
Total (D+I)	6.6%

The number of external subcontractors (including onshore and offshore resources) increased by +16 FTEs and totaled 548 FTEs end of 2014. This change originates in the increasing use of offshore resources (Morocco, Armenia) that are to a large extent subcontracted to the Atos Group.

B 2015 OBJECTIVES

Revenue

The Group expects to achieve organic growth of its revenue, at constant exchange rates, of between 4% and 5%.

OMDA

The Group has the objective to increase the OMDA margin by approximately 50 basis points compared to 2014, in line with its 2017 objective.

Free cash flow

The Group has the ambition to generate free cash flow of between € 120 million and € 125 million.

C FINANCIAL REVIEW

C.1 Income Statement

The Group reported a net income (attributable to owners of the parent) of € 100.4 million for the full year 2014, which represented 8.7% of Group revenues of the period. The normalized net income before unusual, abnormal and infrequent items (net of tax) for the period was € 113.8 million, representing 9.9 % of revenues.

Last year, net income of € 118.5 million included an exceptional profit after tax of € 12.5 million related to the sale and lease back of a datacenter in Belgium which was accounted as Other Operating Income.

C.1.1 Operating Margin

(In € million)	12 months ended 31 December 2014 estimates		12 months ended 31 December 2013	
		% Margin		% Margin
Operating margin	170.3	14.8%	164.0	14.4%
Other operating income/(expenses)	(19.7)		5.9	
Operating income	150.6	13.1%	169.9	15.0%
Net financial income/(expenses)	(7.4)		(13.4)	
Tax charge	(41.0)		(36.2)	
Non-controlling interests and associates	(1.8)		(1.8)	
Net income – Attributable to owners of the parent	100.4	8.7%	118.5	10.4%
Normalized net income – Attributable to owners of the parent (*)	113.8	9.9%	118.6	10.5%

(*) Defined hereafter.

C.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 2014 estimates	12 months ended 31 December 2013
Operating margin	170.3	164.0
+ Depreciation of fixed assets	43.6	37.2
+ Net book value of assets sold/written off	1.2	0.7
+ Charge for equity-based compensation	1.3	1.5
+/- Net charge/(release) of pension provisions	2.0	2.7
+/- Net charge/(release) of provisions	(3.3)	(2.9)
OMDA	215.1	203.2

C.1.3 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual, abnormal and infrequent. They represent a net expense of € 19.7 million in 2014. The following table presents this amount by nature:

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Staff reorganization	(3.4)	(3.7)
Rationalization and associated costs	(8.7)	(0.8)
Integration and acquisition costs	(0.5)	(1.6)
Customer relationships and patents amortization	(3.5)	(3.5)
Other items	(3.6)	15.5
Total	(19.7)	5.9

Staff reorganization expenses of € 3.4 million corresponded to the restructuring costs induced by the implementation of the new organization.

The € 8.7 million **rationalization and associated costs** primarily result from external costs linked to the initiation of the TEAM program for € 5.5 million, the closing of office premises in France and Belgium for € 0.7 million and € 1.2 million linked to common Worldline and Atos transformation initiative.

The **integration and acquisition costs** are mainly linked to the IT infrastructure integration and harmonization in 2014.

The 2014 **Customer Relationships amortization** of € 3.5 million corresponded to the portion of the acquisition price allocated to the value of the customer relationship and backlog brought by Banksys and Siemens IT Solutions & Services.

The € 3.6 million **other items** are mainly related to external and internal costs incurred in the frame of the preparation of the IPO and post carve-out implementation costs (€ 1.7 million) and other non-recurring items related to pre carve-out expenses (€ 1.2 million).

In 2013, the other operating income included a profit of € 19.0 million related to the sale and lease back of a datacenter in Belgium.

C.1.4 Net financial expense

Net financial expense amounted to € 7.4 million in 2014 (compared with a net financial expense of € 13.4 million last year) and was composed of a net cost of financial debt of € 2.2 million and non-operational financial costs of € 5.2 million.

The net cost of financial debt amounted to € 2.2 million in 2014 compared to € 3.7 million in 2013.

The other financial income / expenses amounted to € 5.2 million during the period compared to € 9.7 million in 2013. In 2014, these costs were mainly composed of foreign exchange losses for € 2.3 million and pension financial costs for € 2.2 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.

C.1.5 Corporate tax

The tax charge end of December 2014 was € 41.0 million with a profit before tax of € 143.2 million. The annualized Effective Tax Rate (ETR) was 28.6%. The Group expects an effective tax rate over 2015 to 017 period of approximately 28% to 29%.

C.1.6 Normalized net income

The normalized net income excluding unusual, abnormal and infrequent items (net of tax) is € 113.8 million.

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Net income - Attributable to owners of the parent	100.4	118.5
Other operating income and expenses	(19.7)	5.9
Tax effect on other operating income and expenses	6.5	(2.1)
Other unusual items on tax	(0.2)	(3.9)
Total unusual items – Net of tax	(13.4)	(0.1)
Normalized net income - Attributable to owners of the parent	113.8	118.6

C.1.7 Earning per share

The number of shares as at January 1, 2014 was 11,621,805 shares and was increased to 116,218,050 shares after the split of the nominal value of the share by 10 that took place on April 23, 2014. Number of shares was further increased by 15,548,780 shares on June 27, 2014 as part of the Initial Public Offering, and on December 29, 2014 with the Employee Shares Purchase Plan "Boost" (159,758 shares) to reach 131,926,588 shares. The weighted average number of shares amounts to 92,032,482 shares for the period. There is no potential dilutive impact.

(In € million)	12 months ended 31 December 2014 estimates	% Margin	12 months ended 31 December 2013	% Margin
Net income [a]	100.4	8.7%	118.5	10.4%
Normalized net income [b]	113.8	9.9%	118.6	10.5%
Average number of shares [c]	92 032 482		11 621 805	
(In EUR)				
Normalized EPS [a] / [c]	1.09		10.20	

For illustration purpose and in order to present an EPS on comparable basis between 2014 and 2013, an EPS calculation is presented below for December 2013 and December 2014 based on proforma accounts for 2013, as presented in IPO Registration Document and on a similar number of shares for the two years:

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013 Proforma
Net income [a]	100.4	110.2
Other operating income and expenses	(19.7)	5.9
Tax effect on other operating income and expenses	6.5	(2.1)
Other unusual items on tax	(0.2)	(3.9)
Normalized net income [b]	113.8	110.3
Number of shares end of December 2014 [d]	131 926 588	131 926 588
(In EUR)		
Earnings per share in EUR [a]/[d]	0.76	0.84
Normalized and adjusted EPS [b]/[d]	0.86	0.84

C.2 Cash Flow

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Operating Margin before Depreciation and Amortization (OMDA)	215.1	203.2
Capital expenditures	(68.9)	(61.7)
Change in working capital requirement	22.8	16.1
Cash from operation (CFO)	169.0	157.6
Taxes paid	(34.5)	(33.7)
Net cost of financial debt paid	(2.2)	(3.7)
Reorganization in other operating income	(3.0)	(3.3)
Rationalization & associated costs in other operating income	(6.1)	(0.9)
Integration and acquisition costs	(0.5)	(1.6)
Net financial investments (*)	(1.2)	(0.2)
Other changes (**)	(7.1)	6.8
Free Cash Flow	114.4	121.0
Net material (acquisitions)/disposals	(11.6)	(208.2)
Capital increase/(decrease)	248.1	2.9
Payment for acquisition of non controlling interests	-	(1.6)
Dividends paid to owners of the parent	(45.1)	-
Change in net cash/(debt)	305.8	(85.9)
Opening net cash/(debt)	(99.6)	(14.6)
Change in net cash/(debt)	305.8	(85.9)
Foreign exchange rate fluctuation on net cash/(debt)	(3.1)	0.9
Closing net cash/(debt)	203.1	(99.6)

(*) 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, sales of treasury shares & common stock issues following employees exercise of stock options 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, impact of foreign exchange rate fluctuation and net acquisitions and disposals, reached € 114.4 million compared with € 121.0 million in 2013. Free cash flow for the year 2013 included a proceed related to sale and lease-back of a datacenter in Belgium for € 20.7 million.

Cash From Operations (CFO) amounted to € 169.0 million and increased by € 11.4 million compared to last year, including the following items:

- OMDA (€ +11.9 million),
- Higher capital expenditures (€ -7.2 million),
- Change in working capital requirement (€ +6.7 million).

OMDA of € 215.1 million, representing an increase of € +11.9 million compared to December 2013, reached 18.7% of revenues against 17.9% of revenues in 2013.

Capital expenditures amounted to € 68.9 million or 6.0% of revenue slightly above the level of 2013 at 5.4%. Main part is related to investment in software platforms through capitalized cost, in connection with the modernization of proprietary technological platforms for € 46.3 million.

The positive **change in working capital requirement** was € 22.8 million. The DSO ratio reached 52 days at the end of December 2014 while the DPO was 86 days as of December 2014.

Cash out related to **taxes paid** reached € 34.5 million in line with last year at € 33.7 million.

The **cost of net debt** of € 2.2 million decreased by € -1.5 million compared to the year 2013.

This cost is made of:

- € 3.8 million of cost of gross debt representing an average annualized expense rate of 0.88%;
- € 1.6 million of remuneration of gross cash representing an average annualized remuneration rate of 0.36%.

Cash outflow linked to **reorganization costs** represented € 3.0 million.

Rationalization and associated costs (€ 6.1 million) primarily result from external costs linked to the initiation of the TEAM program and to the closing of office premises in France and Belgium.

Integration costs reached € 0.5 million and correspond mainly to IT infrastructures integration and harmonization in 2014.

Net financial investments amounts to € 1.2 million and relates mainly to investment in non consolidated companies.

Other changes of € 7.1 million mainly corresponded to:

- Carve-out and IPO costs for € 3.0 million;
- Foreign exchange losses and other financials costs for € 3.3 million;
- Others non recurring items for € 0.8 million.

As a result, the **Free Cash Flow (FCF)** generated during 2014 was € 114.4 million.

Capital increase € 248.1 million corresponds to:

- The cash processed of the initial public offering (€ 246.2 million net of costs directly linked to the operation);
- The proceeds from the capital increase done for the Employee Share Purchase Plan "Boost" in December 2014 (€ 1.8 million).

Reorganization of Worldline at € 11.6 million are related to the cash impacts on last movements of the 2013 carve out in China impacting the first semester 2014.

In the first half of 2014, a special **dividend was paid to Atos SE for an amount of** € 45.1 million.

Foreign exchange rate fluctuation which is determined on debt or cash exposure by country had a negative impact on net cash of € 3.1 million.

C.3 Financing Policy

C.3.1 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 revolving credit facility in order to cover the Group's liquidity requirements, including temporary fluctuations in its working capital needs. The RCF has a duration of 2 years and contains no financial covenants.

C.3.2 Investment policy

Worldline has a policy to lease its office space and others real estate assets either administrative or technical. Some others 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.

D CONSOLIDATED FINANCIAL STATEMENTS

D.1 Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2014

The audit procedures on the presented financial information examined by the Board of Directors held on February 17, 2015 have been performed by the statutory auditors but will only be finalized in the view of the issuance of their certification report, after the meeting of the Board of Directors to be held on March 25, 2015 approving the Group Financial Statements and the finalization of the verification procedures required by law.

D.2 Consolidated Income Statement

(In € million)		12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Revenue	Note 2	1 149.3	1 135.1
Personnel expenses	Note 3	(474.7)	(466.1)
Operating expenses	Note 4	(504.3)	(505.0)
Operating margin % of revenue		170.3 14.8%	164.0 14.4%
Other operating income and expenses	Note 5	(19.7)	5.9
Operating income % of revenue		150.6 13.1%	169.9 15.0%
Net cost of financial debt		(2.2)	(3.7)
Other financial expenses		(10.4)	(15.9)
Other financial income		5.2	6.2
Net financial income	Note 6	(7.4)	(13.4)
Net income before tax		143.2	156.5
Tax charge	Notes 7-8	(41.0)	(36.2)
Share of net profit/(loss) of associates		(1.8)	(1.8)
Net income		100.4	118.5
Of which:			
- attributable to owners of the parent		100.4	118.5

(in € and number of shares)

Net income - Attributable to owners of the parent			
Weighted average number of shares		92 032 482	11 621 805
Basic earnings per share	Note 9	1.09	10.20
Diluted weighted average number of shares		92 032 482	11 621 805
Diluted earnings per share	Note 9	1.09	10.20

D.3 Consolidated statement of comprehensive income

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Net income	100.4	118.5
Other comprehensive income		
- to be reclassified subsequently to profit or loss		
(recyclable):	4.3	(12.4)
Exchange differences on translation of foreign operations	4.3	(12.4)
- not reclassified to profit or loss (non-recyclable):	(10.3)	5.7
Actuarial gains and losses generated in the period on defined benefit plan	(14.6)	7.2
Deferred tax on items non-recyclable recognized directly on equity	4.3	(1.5)
Total other comprehensive income	(6.0)	(6.7)
Total comprehensive income for the period	94.4	111.8
Of which:		
- attributable to owners of the parent	94.4	111.8

D.4 Consolidated statements of financial position

(In € million)		12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
ASSETS			
Goodwill	Note 10	374.8	368.9
Intangible assets	Note 11	105.0	76.6
Tangible assets	Note 12	72.6	77.3
Non-current financial assets	Note 13	9.0	6.9
Deferred tax assets	Note 8	57.1	50.2
Total non-current assets		618.5	579.9
Trade accounts and notes receivables	Note 14	263.8	237.2
Current taxes		6.8	1.2
Other current assets	Note 15	56.6	56.5
Cash and cash equivalents	Note 16	215.6	542.0
Total current assets		542.8	836.9
Total assets		1 161.3	1 416.8
LIABILITIES AND SHAREHOLDERS' EQUITY			
(In € million)		12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Common stock		89.6	78.8
Additional paid-in capital		241.6	20.2
Consolidated retained earnings		224.9	149.8
Translation adjustments		(27.4)	(31.7)
Net income attributable to the owners of the parent		100.4	118.5
Total shareholders' equity		629.1	335.6
Provisions for pensions and similar benefits	Note 17	83.6	61.4
Non-current provisions	Note 18	5.7	13.3
Borrowings	Note 19	1.9	46.0
Deferred tax liabilities	Note 8	9.8	6.9
Other non-current liabilities		0.4	-
Total non-current liabilities		101.4	127.6
Trade accounts and notes payables	Note 20	187.3	156.0
Current taxes		31.7	24.0
Current provisions	Note 18	5.3	1.3
Current portion of borrowings	Note 19	10.6	595.6
Other current liabilities	Note 21	195.9	176.7
Total current liabilities		430.8	953.6
Total liabilities and shareholders' equity		1 161.3	1 416.8

D.5 Consolidated cash flow statement

(In € million)		12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Profit before tax		143.2	156.5
Depreciation of assets	Note 4	43.6	37.2
Net charge / (release) to operating provisions		(1.3)	(0.2)
Net charge / (release) to financial provisions		2.0	2.0
Net charge / (release) to other operating provisions		2.1	(2.6)
Customer relationships and patents amortization		3.5	3.5
Losses / (gains) on disposals of fixed assets		1.7	(18.5)
Net charge for equity-based compensation		1.3	1.5
Net cost of financial debt	Note 6	2.2	3.7
Cash from operating activities before change in working capital requirement, financial interest and taxes		198.3	183.1
Taxes paid		(34.5)	(33.7)
Change in working capital requirement		22.8	16.1
Net cash from / (used in) operating activities		186.6	165.5
Payment for tangible and intangible assets		(68.9)	(61.7)
Proceeds from disposals of tangible and intangible assets		-	20.7
Net operating investments		(68.9)	(41.0)
Amounts paid for acquisitions and long-term investments		(1.4)	(0.4)
Proceeds from disposals of financial investments		0.2	0.1
Net long-term investments		(1.2)	(0.3)
Net cash from / (used in) investing activities		(70.1)	(41.3)
Capital Increase		1.8	2.9
Capital increase subscribed by non-controlling interests		246.3	-
Dividends paid to owners of the parent		(45.1)	-
Liabilities towards shareholders		(11.6)	(208.2)
Payment for acquisition of non controlling interests		-	(1.6)
New borrowings	Note 19	0.2	0.3
New finance lease	Note 19	0.2	1.7
Repayment of long and medium-term borrowings	Note 19	(71.1)	(25.7)
Net cost of financial debt paid		(2.2)	(3.7)
Other flows related to financing activities		(28.9)	(28.6)
Net cash from / (used in) financing activities		89.6	(262.9)
Increase / (decrease) in net cash and cash equivalents		206.1	(138.7)
Opening net cash and cash equivalents		2.5	140.9
Increase / (decrease) in net cash and cash equivalents	Note 16	206.1	(138.7)
Impact of exchange rate fluctuations on cash and cash equivalents		(3.0)	0.3
Closing net cash and cash equivalents	Note 16	205.6	2.5

D.6 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			Translation adjustments	Net income	Total shareholders' equity
				Retained earnings	Transactions with Atos	Atos Business combination impact			
At January 1st, 2013 - Combined	11 622	78.8	20.2	231.4	25.1	(9.0)	(19.3)	93.9	421.1
* Appropriation of prior period net income				93.9				(93.9)	-
* Equity-based compensation				1.5					1.5
* Scope Changes						(208.2)			- 208.2
* Increase of capital					2.9				2.9
* Tax impact				6.5					6.5
Transactions with owners	-	-	-	101.9	2.9	(208.2)	-	(93.9)	(197.3)
* Net income								118.5	118.5
* Other comprehensive income				5.7			(12.4)		(6.7)
Total comprehensive income for the period				5.7	-	-	(12.4)	118.5	111.8
At December 31st, 2013 - Combined	11 622	78.8	20.2	339.0	28.0	(217.2)	(31.7)	118.5	335.6
* Change in Share nominal value	104 596	-	-						-
* Common stock issued	15 708	10.8	240.8						251.6
* Appropriation of prior period net income				118.5				(118.5)	-
* Dividends paid to the shareholders			(19.4)	(25.7)					(45.1)
* Equity-based compensation				1.3					1.3
* Scope Changes						(11.6)			(11.6)
* Other				2.9					2.9
Transactions with owners	120 304	10.8	221.4	97.0	-	(11.6)	-	(118.5)	199.1
* Net income								100.4	100.4
* Other comprehensive income				(10.3)			4.3		(6.0)
Total comprehensive income for the period				(10.3)	-	-	4.3	100.4	94.4
At December 31st, 2014 - Consolidated Estimates	131 926	89.6	241.6	425.7	28.0	(228.8)	(27.4)	100.4	629.1

D.7 Appendices to the consolidated financial statements

D.7.1 General information

Worldline SA, the Worldline Group's parent company, is a 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, an Atos subsidiary is an European leader and a global market player in the electronic payment and transactional services sector. Worldline activities are organized around three axes: Merchant Services and Terminals, Financial processing and Software Licensing and Mobility and e-Transactional Services.

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

The Group's financial information relating to the financial year ended December 31, 2014 included in this document have been prepared using a process similar to that adopted for the preparation of the Group's annual consolidated financial statements.

The Board of Directors of Wordline SA has examined at its February 17, 2015 meeting the Group's financial information for the financial year ended December 31, 2014 and has approved their communication. The Group's financial statements which will be formally approved by the Board of Directors, to be held on March 25, 2015, shall include any material events previously unknown by the Group and of which it becomes aware or which may occur after February 17, 2015.

The audit procedures on the presented financial information examined by the Board of Directors held on February 17, 2015 have been performed by the statutory auditors but will only be finalized in the view of the issuance of their certification report, after the meeting of the Board of Directors to be held on March 25, 2015 approving the Group Financial Statements and the finalization of the verification procedures required by law.

The consolidated financial statements will then be submitted to the approval of the general meeting of shareholders scheduled to take place on May 2015.

Therefore the financial information presented shall be, in accordance with the AMF recommendation n°2004-04, qualified as estimated financial results.

D.7.2 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 31st, 2014 have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union as at December 31st, 2014. 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 31st, 2014, 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 following standards, interpretations and amendments to existing standards that have been published are mandatory for the Group's accounting period beginning on or after January 1, 2014:

- IFRS 10 - Consolidated Financial Statements;
- IFRS 11 - Joint Arrangements;
- IFRS 12 - Disclosure of Interests in Other Entities;
- IAS 27 (revised) - Separate Financial Statements;
- IAS 28 (revised) - Investments in Associates and Joint Ventures;
- Amendments IFRS 10, 11, 12 - Transition Guidance;
- IAS 32 (revised) - Offsetting Financial Assets and Financial liabilities;
- IAS 36 (revised) - Disclosures - Recoverable Amount for Non-Financial Assets;
- Amendments IFRS 10, 12 and IAS 27 - Investment Entities;
- Amendments IAS 39 - Novation of Derivatives and Continuation of Hedge Accounting.

The following standards, interpretations and amendments to existing standards that have been published and endorsed by European Union are not yet mandatory for the Group:

- IFRIC 21 - Levies.

The impact of those changes in standards and interpretations on the Group's consolidated financial statements is limited.

The consolidated financial statements do not take into account:

- Draft standards that are still at the exposure draft stage at the International Accounting Standards Board (IASB);
- New standards, interpretations and amendments to existing standards and interpretations not yet approved by the European Union. This notably concerns:
 - IFRS 9 - Financial Instruments (superseding IAS 39);
 - Annual improvements - 2010-2012 cycle;
 - Annual improvements - 2011-2013 cycle;
 - Amendments to IAS 19 - Defined benefit plans: employee contributions;
 - IFRS 14- Regulatory Deferral Accounts;
 - Amendments to IFRS 11 - Accounting for acquisitions of interests in joint operations;
 - Amendments to IAS 16 and IAS 38 - clarification of acceptable methods of depreciation and amortization.
 - Annual improvements - 2012-2014 cycle;
 - IFRS 15 - Revenue from Contracts with Customers

The potential impact of these standards, amendments and interpretations on the consolidated financial statements is currently being assessed.

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.

Basis of preparation of historical combined financial statements of 2013

The 2013 accounts presented in this document are based on the combined financial statements published in the IPO Registration Document.

Context

In 2012, Atos initiated a strategic project involving the split of its two main activities, with a view to launch an initial public offering of Worldline in 2014.

The aim of this initial public offering was to accelerate the development of Worldline and enable it to play a leading role in the consolidation of the European payments market.

Worldline Group constitution

The first step of this project was in 2013 to carry out a number of legal transactions:

- The companies comprising mixed activities (Worldline and not Worldline) were split into two separate entities, via the creation of new entities or use of existing companies through partial contributions of assets in the United Kingdom, Argentina, Spain, France, Austria and Asia.
- Companies whose activity is related to Worldline and which were not owned by companies belonging to the Group were transferred to Worldline holdings through acquisitions.
- An entity owned by a company within the Worldline scope, with activities that did not fall under the scope of Worldline, was sold to Atos.

The constitution of the new Worldline Group therefore has resulted from transfers of entities or activities within Atos group, without modification *in fine* of the direct or indirect holding of Atos. These operations were therefore a business combination between entities under common control. This type of combination were excluded from the scope of IFRS 3 ("Business Combinations"). In the absence of an IFRS standard specifically applicable to such a transaction, the Worldline Group had chosen to recognize them by using the existing book value ("predecessor value accounting") in the Atos consolidated financial statements which have been prepared in accordance with IFRS.

Combination method

In the absence of prescription in IFRS standards with respect to combined financial statements, the Group had established principles and conventions of combination as presented in the IPO Registration Document, based notably on the section VI of Regulation 99-02 of the French Accounting Regulatory Committee (CRC 2002-12). The basis of preparation presented in the IPO Registration Document describes how IFRS as adopted by the European Union have been applied for the preparation of combined financial statements.

In this context, these historical combined financial statements are not necessarily indicative of the consolidated financial statements that would have been prepared if Worldline had been created at an earlier date than the actual date.

The historical combined financial statements provide an indicative view of the historical operations of Worldline within the Atos group and do not reflect the economic situation following the carve out which is presented in the pro forma financial information (see section A2 of the IPO Registration Document).

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 a 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 10 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.

Development expenses

The Group recognize development expenses corresponding to technical solutions developed for some customers or made available to a group of customers. The criteria to recognize such assets require some judgment and their fulfillment impacts the amount of costs that can be capitalized. Such development expenses are amortized over their estimated average life.

Consolidation methods

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.

Segment reporting

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 on Global Business Lines (Merchant Services & Terminals, Financial Processing & Software Licensing 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, the 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 (refer to Note 2 of the financial statements).

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.

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.

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.

The CGUs for the impairment test are not larger than operating segments determined in accordance with IFRS 8 Operating segments.

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 specific implementation projects for some customers or 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 not exceeding 7 years.

For France, the capitalized development expenditures are presented net of Research and development tax credit (French tax *Credit Impôt Recherche (CIR)*) related to these costs.

The customer relationships 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, generally not exceeding 5 to 7 years for internally developed IT solutions 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 in 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. Payments under operating leases are expensed linearly throughout the duration of the lease.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases.

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.

Intangible assets that either have indefinite useful lives or that are not yet ready to be put into service are subject to an impairment test at least annually and whenever there is an indication that the asset may be impaired.

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. An impairment loss is recognized immediately in profit or loss, unless the related asset is recognized at its revalued amount; in which case, the impairment loss is treated as a negative revaluation.

Inventory

Inventory, 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.

Financial assets

Financial assets are accounted for at trade date.

Loans, trade accounts and notes receivable

Loans are part of non-current financial assets. Loans, 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.

Certain service arrangements might qualify for treatment as lease contracts if they convey a right to use an asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered to be the lessor regarding its customers. Where the lease transfers the risks and rewards of ownership of the asset to its customers, the Group recognizes assets held under finance lease and presents them as "Trade accounts and notes receivable" for the part that will be settled within 12 months, and "Non-current financial assets" for the part beyond 12 months.

Assets securitization

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.

Cash and cash equivalents

Cash and cash equivalent include cash at bank and financial instruments such as money market securities. 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 securities are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

Cash and cash equivalents are measured at their fair value through profit and loss.

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 relies in particular on projections of future benefits to be paid to Group employees, by anticipating the effects of future salary increases. Its implementation further includes the formulation of specific assumptions, detailed in Note 17, which are periodically updated, in close liaison with external actuaries used by 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 cumulated at each benefit plan's level to form 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 income, except for interest costs on obligations, net of expected returns on plans assets, which are recognized in "other financial income and expenses".

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.

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.

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.

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

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

Revenues for bilateral projects 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.

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.

General rules on revenue

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.

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 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.

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 CNC (Conseil National de la Comptabilité) recommendation n°2009-R-03 (issued on July 2nd, 2009) 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, abnormal 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, infrequent and abnormal are classified in the Operating income;
- If a restructuring plan qualifies for Operating income, the related real estate rationalization & associated costs expenses regarding premises and buildings is also presented in Operating income.

"Other operating income and expenses" also include major litigations, and non-recurrent 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, or any other item that is infrequent, unusual and abnormal.

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 after the grant date have no impact on the initial valuation. The fair value of share options is recognized in "Personnel expenses" 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.

Corporate income tax

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.

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.

Diluted earnings per share is equal to basic earnings per share to the extent that no dilutive instruments have been issued by Worldline.

Related party transactions

Related party transactions include in particular transactions with:

- Persons or a close member of that person's family if that person is a member of the key management personnel of the Group as defined as persons who have the authority and responsibility for planning, directing and controlling the activity of the Group, including members of the Board of Directors, Chief Executive Officer and General Manager.
- Entities if one of the following conditions apply:
 - The entity is controlled or jointly controlled by a person belonging to the key management;
 - The entity is a member of the Group;
 - The entity is a joint-venture in which the Group is participating;
 - The entity is a post-employment benefit plan for the benefit of employees of the Group.

D.7.3 Notes to the consolidated financial statements

Note 1 Significant event of the year

In the context of its Initial Public Offering (IPO), Worldline issued 15,548,780 of new shares in June 27, 2014 at € 16.4 generating proceeds net of fees of € 249.6 million.

Impact on financial statements and cash flow statement

(in € million)	Shareholders' equity	Cash flow Statement
Proceeds from the capital increase	255.0	255.0
IPO transaction costs	(8.8)	(8.8)
Tax effects on IPO transaction costs	3.3	-
Total Estimates	249.6	246.2

Note 2 Segment information by Global Business Line

For 2013 fiscal year, segment reporting under IFRS 8 was based on internal reporting that was organized by geographical area.

Since January 1, 2014, the internal segment reporting reviewed by the chief operating decision maker has been based on the new global business line structure put in place in connection with the Reorganization Transactions. As a result, the Group's IFRS segment reporting has been modified as from the first quarter of 2014 to reflect the new global business line approach.

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 Chief Executive Officer, who makes strategic decisions.

The chief operating decision maker has reorganized the operating segments as follows:

Operating segments	Geographical areas
Merchant Services & Terminals	Belgium, France, Germany, India, Luxembourg, Spain, The Netherlands and United Kingdom.
Financial Processing & Software Licensing	Belgium, China, France, Germany, Hong Kong, India, Indonesia, Malaysia, Singapore, Spain, Taiwan and The Netherlands.
Mobility & e-Transactional Services	Argentina, Austria, Belgium, Chile, France, Germany, Spain, and United Kingdom

Inter-segment transfers or transactions are entered under the 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 processing & Software Licensing	Mobility & e-transactional services	Total Group
12 months ended 31 December 2014 - Estimates				
External revenue by Global Business Lines	373.8	396.0	379.5	1 149.3
% of Group revenue	32.5%	34.5%	33.0%	100.0%

12 months ended 31 December 2013

External revenue by Global Business Lines	364.6	391.7	378.8	1 135.1
% of Group revenue	32.1%	34.5%	33.4%	100.0%

(In € million)	Merchant Services & Terminals	Financial processing & Software Licensing	Mobility & e-transactional services	Global structures	Total Group
12 months ended 31 December 2014 - Estimates					
Operating Margin before Depreciation and Amortization (OMDA)	80.8	99.6	51.9	(17.2)	215.1
% revenue	21.6%	25.2%	13.7%	-1.5%	18.7%

12 months ended 31 December 2013

Operating Margin before Depreciation and Amortization (OMDA)	78.9	88.9	53.6	(18.2)	203.2
% revenue	21.6%	22.7%	14.1%	-1.6%	17.9%

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 2014 estimates	12 months ended 31 December 2013
Operating margin	170.3	164.0
+ Depreciation of fixed assets	43.6	37.2
+ Net book value of assets sold/written off	1.2	0.7
+ Charge for equity-based compensation	1.3	1.5
+/- Net charge/(release) of pension provisions	2.0	2.7
+/- Net charge/(release) of provisions	(3.3)	(2.9)
OMDA	215.1	203.2

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

(In € million)	Merchant Services & Terminals	Financial processing & Software Licensing	Mobility & e-transactional services	Shared (Not allocated *)	Total Group
12 months ended 31 December 2014 - Estimates					
Total fixed assets by Global Business Lines	278.0	147.7	51.8	74.9	552.4
Goodwill	219.3	129.3	26.2		374.8
% of Group goodwill	58.5%	34.5%	7.0%		
Other intangible assets	50.6	17.8	15.0	21.6	105.0
Tangible assets	8.1	0.6	10.6	53.3	72.6

(*) 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.

Note 3 Personnel expenses

(In € million)	12 months ended 31 December 2014 estimates	% Revenue	12 months ended 31 December 2013	% Revenue
Wages, salaries & social security charges	(464.0)	40.4%	(452.5)	39.9%
Tax, training, profit-sharing	(7.7)	0.7%	(9.4)	0.8%
Equity-based compensation	(1.3)	0.1%	(1.5)	0.1%
Net (charge)/release to provisions for staff expenses	0.3	0.0%	-	-
Difference between pension contributions and net pension expense	(2.0)	0.2%	(2.7)	0.2%
Total	(474.7)	41.3%	(466.1)	41.1%

Equity-based compensation

The € 1.3 million charges recorded within operating margin for equity based compensation (€ 1.5 million in 2013) is composed of:

- € 0.2 million related to free and discounted shares relating to Worldline employee shareholding plan 'Boost' settled this year;
- € 1.1 million related to the 2014 stock option plan and previous Atos free share plans.

New Stock option plan – 3 September 2014

On 3 September 2014, the Group has granted stock option for a total of 1,527,220 options (of which 574,730 options regarding a foreign plan). The share price at grant date was at € 15.60. The exercise price is at €17.22.

Note 4 Non personnel operating expenses

(In € million)	12 months ended 31 December 2014 estimates	%	12 months ended 31 December 2013	%
		Revenue		Revenue
Subcontracting costs direct	(222.8)	19.4%	(188.1)	16.6%
Hardware and software purchase	(38.9)	3.4%	(46.4)	4.1%
Maintenance costs	(28.5)	2.5%	(26.1)	2.3%
Rent & Lease expenses	(50.1)	4.4%	(51.2)	4.5%
Telecom costs	(50.3)	4.4%	(53.6)	4.7%
Travelling expenses	(10.5)	0.9%	(10.2)	0.9%
Company cars	(9.6)	0.8%	(9.3)	0.8%
Professional fees	(28.3)	2.5%	(23.9)	2.1%
Taxes & Similar expenses	(13.0)	1.1%	(11.7)	1.0%
Others expenses	(52.2)	4.5%	(76.4)	6.7%
Subtotal expenses	(504.2)	43.9%	(496.9)	43.8%
Depreciation of assets	(43.6)	3.8%	(37.2)	3.3%
Net (charge)/release to provisions	3.1	-0.3%	2.9	-0.3%
Gains/(Losses) on disposal of assets	(1.1)	0.1%	(0.7)	0.1%
Trade Receivables write-off	(4.8)	0.4%	(3.5)	0.3%
Capitalized Production	46.3	-4.0%	30.4	-2.7%
Subtotal other expenses	(0.1)	0.0%	(8.1)	0.7%
Total	(504.3)	43.9%	(505.0)	44.5%

Note 5 Other operating income and expenses

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

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Staff reorganization	(3.4)	(3.7)
Rationalization and associated costs	(8.7)	(0.8)
Integration and acquisition costs	(0.5)	(1.6)
Customer relationships and patents amortization	(3.5)	(3.5)
Other items	(3.6)	15.5
Total	(19.7)	5.9

Staff reorganization expenses of € 3.4 million corresponded to the restructuring costs induced by the implementation of the new organization.

The € 8.7 million rationalization and associated costs primarily result from external costs linked to the initiation of the TEAM program for € 5.5 million, the closing of office premises in France and Belgium for € 0.7 million and € 1.2 million linked to common Worldline and Atos transformation initiative.

The integration and acquisition costs are mainly linked to the IT infrastructure integration and harmonization in 2014.

The 2014 Customer Relationships amortization of € 3.5 million corresponded to the portion of the acquisition price allocated to the value of the customer relationship and backlog brought by Banksys and Siemens IT Solutions & Services.

The € 3.6 million other items are mainly related to external and internal costs incurred in the frame of the preparation of the IPO and post carve-out implementation costs (€ 1.7 million) and other non-recurring items related to pre carve-out expenses (€ 1.2 million).
In 2013, the other operating income included a profit of € 19.0 million related to the sale and lease back of a datacenter in Belgium.

Note 6 Net Financial Result

Net financial expense amounted to € 7.4 million for the period (compared with € 13.4 million last year) and was composed of:

- A net cost of financial debt of € 2.2 million (€ 3.7 million in 2013) , and
- A non-operational financial costs of € 5.2 million.

Net cost of financial debt of € 2.2 million in 2014 is made of :

- € 3.8 million of cost of gross debt representing an average expense rate of 0.88%
- € 1.6 million of remuneration of gross cash representing an average interest rate of 0.36%.

Other financial income and expenses

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Foreign exchange income/(expenses)	(2.3)	(1.4)
Other income/(expenses)	(2.9)	(8.3)
Other financial income and expenses	(5.2)	(9.7)
Of which:		
- other financial expenses	(10.4)	(15.9)
- other financial income	5.2	6.2

The other financial income / expenses amounted to € 5.2 million during the period compared to € 9.7 million in 2013. In 2014, these costs were mainly composed of foreign exchange losses for € 2.3 million and pension financial costs for € 2.2 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.

Other financial income and expenses in 2013 consist primarily of the income transferred under the tax unit agreement prior to the reorganization of the German subsidiary to its parent company Atos. The amount of this transfer amounted to € 5.4 million for 2013.

Note 7 Income tax expenses

Current and deferred taxes

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Current taxes	(40.0)	(46.9)
Deferred taxes	(1.0)	10.7
Total	(41.0)	(36.2)

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 2014 estimates	12 months ended 31 December 2013
Profit before tax	143.2	156.5
French standard tax rate	38.0%	38.0%
Theoretical tax charge at French standard rate	(54.4)	(59.5)
Impact of permanent differences	7.9	2.3
Differences in foreign tax rates	7.9	8.5
Movement on recognition of deferred tax assets	(0.6)	16.1
Change in deferred tax rates	(0.2)	(3.3)
Withholding taxes	(0.6)	(0.2)
CVAE net of tax	(2.9)	(2.8)
French Tax credit	1.7	1.2
Other	0.2	1.5
Group tax expense	(41.0)	(36.2)
Effective tax rate	28.6%	23.1%
<i>Effective tax rate excluding CVAE</i>	<i>26.6%</i>	<i>21.0%</i>

The 2014 Worldline effective tax rate was 28.6%, which included the French CVAE for an amount of € 2.9 million.

In 2013, Worldline effective rate of 23.1% was mainly explained by the effect of recognition of tax losses carry forward assets in Germany (€ 10.2 million) and Spain (€ 3.2 million).

Note 8 Deferred taxes

(In € million)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Deferred tax assets	57.1	50.2
Deferred tax liabilities	9.8	6.9
Net deferred tax	47.3	43.3

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, 2012	2.6	(5.2)	24.5	12.7	2.1	36.7
Charge to profit or loss for the year	12.7	1.1	(5.1)	3.6	(1.5)	10.8
Change of scope	-	-	-	0.2	0.6	0.8
Charge to equity	(0.3)	-	-	(1.5)	-	(1.8)
Reclassification	(0.3)	-	-	-	-	(0.3)
Exchange differences	(0.2)	0.1	(0.7)	(0.2)	(1.9)	(2.9)
At December 31st, 2013	14.5	(4.0)	18.7	14.8	(0.7)	43.3
Charge to profit or loss for the year	1.0	1.1	0.9	1.0	(5.0)	(1.0)
Charge to equity	-	-	-	4.3	(0.2)	4.1
Reclassification	(0.2)	(0.1)	(5.8)	(0.1)	6.4	0.2
Exchange differences	-	-	0.5	-	0.2	0.7
At December 31st, 2014 Estimates	15.3	(3.0)	14.3	20.0	0.7	47.3

Tax losses carry forward schedule (basis)

(In € million)	12 months ended 31 December 2014 estimates			12 months ended 31 December 2013		
	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
Tax losses available for carry forward for 5 years and more	5.1	18.7	23.8	10.5	11.6	22.1
Ordinary tax losses carry forward	5.1	18.7	23.8	10.5	11.6	22.1
Evergreen tax losses carry forward	50.2	1.7	51.9	36.9	11.2	48.1
Total tax losses carry forward	55.3	20.4	75.7	47.4	22.8	70.2

Countries with the largest tax losses available for carry forward were Germany (€ 32.4 million), the United Kingdom (€ 13.9 million), Spain (€ 17.7 million) and India (€ 5.1 million).

Deferred tax assets not recognized by the Group

(In € million)	12 months 31 December 2014 Estimates	12 months 31 December 2013
Tax losses carry forward	6.0	6.8
Temporary differences	1.1	1.2
Total	7.1	8.0

Note 9 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 2014 amounted to 509,073 shares, out of which none have a dilutive effect on earnings per share.

(In € million and shares)	12 months ended 31 December 2014 estimates	12 months ended 31 December 2013
Net income - Attributable to owners of the parent [a]	100.4	118.5
Impact of dilutive instruments	-	-
Net income restated of dilutive instruments - Attributable to owners of the parent [b]	100.4	118.5
Average number of shares outstanding [c]	92 032 482	11 621 805
Impact of dilutive instruments [d]	-	-
Diluted average number of shares [e]=[c]+[d]	92 032 482	11 621 805
Earnings per share in EUR [a]/[c]	1.09	10.20
Diluted earnings per share in EUR [b]/[e]	1.09	10.20

Note 10 Goodwill

(In € million)	31 December 2013	Disposals Deprecia- tions	Impact of business combi- nation	Exchange rate fluctuations	31 December 2014 Estimates
Gross value	369.5	-	-	5.9	375.4
Impairment loss	(0.6)	-	-	-	(0.6)
Carrying amount	368.9	-	-	5.9	374.8

(In € million)	31 December 2012	Disposals Deprecia- tions	Impact of business combi- nation	Exchange rate fluctuations	31 December 2013
Gross value	378.4	-	-	(8.9)	369.5
Impairment loss	(0.7)	-	-	0.1	(0.6)
Carrying amount	377.7	-	-	(8.8)	368.9

Goodwill is allocated to Cash Generating Units (CGUs) that are then part of one of the operating segments disclosed in the note 2 Segment information.

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

(In € million)	31 December 2014 Estimates	31 December 2013
Merchant Services & Terminals	219.3	217.0
Financial processing & Software Licensing	129.3	125.7
Mobility & e-transactional services	26.2	26.2
Total	374.8	368.9

The recoverable amount of a CGUs is determined based on value-in-use calculations. These calculations use cash flow projections based on financial three-year business plans approved by management. They are also based on the following assumptions:

- Terminal value is calculated after the three-year period, using an estimated perpetuity growth rate of 2.5 percent. Although exceeding the long term average growth rate for the Global Business Lines which the Group operated, 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 an historical equity risk premium of 6.25 percent, in order to reflect the long-term assumptions factored in the impairment tests.

The discount rate of 8.8% is used by all the CGUs (Merchant Services & Terminals, Financial processing & Software Licensing and Mobility & e-transactional services).

On the basis of impairment tests carried at year end, no loss of value has been identified on the last three financial years.

An analysis was conducted to measure the sensitivity of the calculation to changes in key parameters (operating margin, discount rates and perpetual growth rate). Assumptions considered consisted of varying plus or minus 50 basis points each parameter.

This analysis did not reveal the existence of any risk on the Group's CGUs.

Note 11 Intangible assets

(In € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
Gross value				
At January 1st, 2014	114.0	31.5	24.3	169.8
Additions	2.2	-	-	2.2
R&D capitalized	46.3	-	-	46.3
Disposals	-	-	(0.4)	(0.4)
Exchange differences	0.1	(0.1)	1.2	1.2
Other	0.3	-	0.8	1.1
At December 31st, 2014 - estimates	162.9	31.4	25.9	220.2
Accumulated depreciation				
At January 1st, 2014	(59.0)	(18.7)	(15.5)	(93.2)
Depreciation charge for the year	(14.2)	(3.5)	(3.5)	(21.2)
Disposals/reversals	-	-	0.2	0.2
Exchange differences	(0.1)	-	(0.6)	(0.7)
Other	(0.3)	-	-	(0.3)
At December 31st, 2014 - estimates	(73.6)	(22.2)	(19.4)	(115.2)
Net value				
At January 1st, 2014	55.0	12.8	8.8	76.6
At December 31st, 2014 - estimates	89.3	9.2	6.5	105.0

(In € million)	Software & Licenses	Customer Relationships/ Patent	Other assets	Total
Gross value				
At January 1st, 2013	83.8	32.1	15.3	131.2
Additions	2.6	-	-	2.6
R&D capitalized	30.4	-	-	30.4
Disposals	(2.7)	-	(0.1)	(2.8)
Exchange differences	(0.5)	(0.6)	-	(1.1)
Other	0.4	-	9.1	9.5
At December 31st, 2013	114.0	31.5	24.3	169.8
Accumulated depreciation				
At January 1st, 2013	(50.0)	(15.4)	(12.6)	(78.0)
Depreciation charge for the year	(8.7)	(3.5)	(1.2)	(13.4)
Disposals/reversals	2.7	-	-	2.7
Exchange differences	0.4	0.2	0.1	0.7
Other	(3.4)	-	(1.8)	(5.2)
At December 31st, 2013	(59.0)	(18.7)	(15.5)	(93.2)
Net value				
At January 1st, 2013	33.8	16.7	2.7	53.2
At December 31st, 2013	55.0	12.8	8.8	76.6

Note 12 Tangible assets

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At January 1st, 2014	61.3	184.4	35.4	281.1
Additions	2.9	17.3	3.8	24.0
Disposals	(1.4)	(3.1)	(0.7)	(5.2)
Exchange differences	0.1	1.8	(0.2)	1.7
Other	0.1	13.1	(8.6)	4.6
At December 31st, 2014 - estimates	63.0	213.5	29.7	306.2
Accumulated depreciation				
At January 1st, 2014	(30.2)	(154.8)	(18.8)	(203.8)
Depreciation charge for the year	(5.3)	(19.6)	(1.8)	(26.7)
Disposals/Reversals	1.0	3.1	0.7	4.8
Exchange differences	(0.1)	(1.4)	(0.3)	(1.8)
Other	-	(10.3)	4.2	(6.1)
At December 31st, 2014 - estimates	(34.6)	(183.0)	(16.0)	(233.6)
Net value				
At January 1st, 2014	31.1	29.6	16.6	77.3
At December 31st, 2014 - estimates	28.4	30.5	13.7	72.6

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At January 1st, 2013	63.7	184.6	47.0	295.3
Additions	3.3	14.2	8.6	26.1
Disposals	(2.4)	(11.0)	(3.5)	(16.9)
Exchange differences	(0.1)	(1.9)	(3.2)	(5.2)
Other	(3.2)	(1.5)	(13.5)	(18.2)
At December 31st, 2013	61.3	184.4	35.4	281.1
Accumulated depreciation				
At January 1st, 2013	(30.8)	(152.2)	(25.2)	(208.2)
Depreciation charge for the year	(5.7)	(18.8)	(4.5)	(29.0)
Disposals/Reversals	0.7	10.6	3.6	14.9
Exchange differences	-	1.4	1.4	2.8
Impairment	1.1	-	0.5	1.6
Other	4.5	4.2	5.4	14.1
At December 31st, 2013	(30.2)	(154.8)	(18.8)	(203.8)
Net value				
At January 1st, 2013	32.9	32.4	21.8	87.1
At December 31st, 2013	31.1	29.6	16.6	77.3

Tangible capital assets of the Worldline Group mainly include computer equipment used in the production centers, particularly in the processing datacenters. Moreover, Worldline's policy is to rent its premises. Consequently, land and buildings are mostly composed of technical infrastructures of datacenters.

Note 13 Non current financial Assets

(In € million)		31 December 2014 Estimates	31 December 2013
Pension prepayments	Note 17	3.1	-
Investments in associate		2.5	2.3
Other (*)		3.4	4.6
Total		9.0	6.9

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

Note 14 Trade accounts and not receivable

(In € million)		31 December 2014 Estimates	31 December 2013
Gross value		268.3	241.7
Transition costs		-	0.4
Provision for doubtful debt		(4.5)	(4.9)
Net asset value		263.8	237.2
Prepayments		(12.5)	(9.8)
Deferred income and upfront payments received		(32.3)	(37.0)
Net accounts receivable		219.0	190.4
Number of days' sales outstanding (DSO)		52	47

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 2014 Estimates	31 December 2013
0-30 days overdues		10.4	8.9
30-60 days overdues		3.7	4.8
Beyond 60 days overdues		4.2	6.3
Total		18.3	20.0

Movement in the allowance for doubtful debts

(In € million)		31 December 2014 Estimates	31 December 2013
Balance at beginning of the year		(4.9)	(4.8)
Impairment losses recognized		(3.7)	(3.5)
Amounts written off as uncollectible		4.8	3.5
Impairment losses reversed		(1.1)	(0.3)
Other (*)		0.5	0.2
Balance at end of the year		(4.5)	(4.9)

(*) Reclassification and exchange difference.

Note 15 Other current assets

(In € million)	31 December 2014 Estimates	31 December 2013
Inventories	12.5	11.0
State - VAT receivables	21.1	15.2
Prepaid expenses	11.6	12.0
Other receivables & current assets	9.9	16.4
Advance payment	1.5	1.9
Total	56.6	56.5

Note 16 Cash and cash equivalents

(In € million)	31 December 2014 Estimates	31 December 2013
Cash and cash equivalents	212.8	125.6
Current accounts with Atos entities - Assets	0.3	416.4
Money market funds	2.5	-
Total cash and cash equivalents	215.6	542.0
Overdrafts & cash pooling	(3.6)	(134.7)
Current accounts with Atos entities - Liabilities	(6.4)	(404.8)
Total overdrafts and equivalents	(10.0)	(539.5)
Total net cash and cash equivalents	205.6	2.5

Depending on market conditions and short-term cash flow expectations, the Group from time to time invests in money market funds or in bank deposits with a maturity period not exceeding three months.

Note 17 Pensions

The total amount recognized in the Worldline balance sheet in respect of pension plans and associated benefits was € 80.5 million at December 31st, 2014. It was € 61.4 million at December 31st, 2013. Worldline's obligations are located predominantly in the United Kingdom (34% of total obligations), Germany (26%) Belgium (24%) and France (15%).

Characteristics of significant plans and associated risks

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. 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. The plans are governed by an independent board of trustees. Since the plan only has active members the current asset allocation across United Kingdom plans is predominantly return seeking with 65% invested in equity and the rest in government and non-government bonds, property and infrastructure.

The 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.

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% 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.

The 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.

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 France, the employment benefits mainly consists in legal retirement indemnity obligation.

The plan does 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'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.

Worldline recognized all actuarial gains and losses and asset ceiling effects generated on post employment benefit plans in the period in other comprehensive income.

Events in 2014

Over 2014 discount rates dropped in both the United Kingdom and the Eurozone leading to a significant increase in pension liability values which were only partly offset by investment returns.

Amounts recognized in the financial statements

The amounts recognized in the balance sheet as at December 31st, 2014 rely on the following components, determined at each benefit plan's level:

(In € million)	31 December 2014 Estimates	31 December 2013
Amounts recognized in financial statements consist of :		
Prepaid pension asset – post employment plans	3.1	-
Accrued liability – post employment plans	-	(60.3)
Accrued liability – other long term benefits	(83.6)	(1.1)
Net amounts recognized – Total	(80.5)	(61.4)
Components of net periodic cost		
Service cost (net of employees contributions)	6.2	6.4
Operating expense	6.2	6.4
Interest cost	5.0	5.0
Interest income	(2.8)	(2.9)
Financial expense	2.2	2.1
Net periodic pension cost – Total expense/(profit)	8.4	8.5
<i>Of which, net periodic pension cost – post employment plans</i>	<i>8.2</i>	<i>8.4</i>
<i>Of which, net periodic pension cost – other long term benefits</i>	<i>0.2</i>	<i>0.1</i>
Change in defined benefit obligation		
Defined benefit obligation –post employment plans	146.8	140.1
Defined benefit obligation – other long term benefits at January 1 st	1.1	1.1
Total Defined Benefit Obligation at January 1st	147.9	141.2
Exchange rate impact	1.5	(0.9)
Service cost (net of employees contributions)	6.2	6.4
Interest cost	5.0	5.0
Employees contributions	0.7	0.5
Business combinations/(disposals)	-	0.4
Benefits paid	(1.8)	(1.4)
Actuarial (gain)/loss - change in financial	22.4	(5.6)
Actuarial (gain)/loss - change in demographic	0.1	0.5
Actuarial (gain)/loss - experience results	(2.4)	1.8
Defined benefit obligation at December 31st	179.6	147.9

The weighted average duration of the liability is 19.9 years.

(In € million)	31 December 2014 Estimates	31 December 2013
Change in plan assets		
Fair value of plan assets at January 1st	86.5	77.8
Exchange rate impact	1.1	(0.8)
Atos contribution *	2.4	-
Actual return on plan assets	5.9	6.8
Employer contributions	3.3	3.0
Employees contributions	0.7	0.5
Benefits paid by the fund	(0.8)	(0.8)
Fair value of plan assets at December 31st	99.1	86.5
Reconciliation of prepaid/(accrued) Benefit cost (all plans)		
Funded status-post employment plans	(79.5)	(60.3)
Funded status-other long term benefit plans	(1.0)	(1.1)
Prepaid/(accrued) pension cost	(80.5)	(61.4)
Reconciliation of net amount recognized (all plans)		
Net amount recognized at beginning of year	(61.4)	(63.5)
Net periodic pension cost	(8.4)	(8.5)
Benefits paid by by the employer	1.0	0.7
Employer contributions	3.3	3.0
Business combinations/(disposals)	-	(0.5)
Amounts recognized in Other Comprehensive Income	(14.6)	7.2
Other (exchange rate)	(0.4)	0.2
Net amount recognized at end of year	(80.5)	(61.4)

* Following the transfer of pension obligations and plan assets from Atos UK to Worldline UK.

The obligations in respect of benefit plans which are partially or totally funded through external funds (pension funds) were € 140.6 million at December 31st, 2014 and € 119.3 million at December 31st, 2013, representing more than 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	
	2014	2013	2014	2013
Discount rate as at December 31 st	3.70%	4.60%	1.60% ~ 2.20%	3.3% ~ 3.70%
Inflation assumption as at December 31 st	3.00%	3.20%	1.75%	2.00%

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	-6.0%	+6.1%
German main pension plan	-6.5%	-
Belgian main pension plan	-3.1%	-

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 assumptions 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 2014	31 December 2013
Equity	30%	35%
Bonds	8%	16%
Real Estate	8%	-
Cash and Cash equivalent	3%	-
Other (*)	51%	49%

(*) of which 49% of insurance contracts in 2014

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 Worldline financial statements can be summarized as follows:

Profit and loss

(In € million)	31 December 2014 Estimates			31 December 2013		
	Post- employment	Other LT benefit	Total	Post- employment	Other LT benefit	Total
Operating margin	(6.0)	(0.2)	(6.2)	(6.3)	(0.1)	(6.4)
Financial result	(2.2)	-	(2.2)	(2.1)	-	(2.1)
Total (expense)/profit	(8.2)	(0.2)	(8.4)	(8.4)	(0.1)	(8.5)

Cash impacts of pensions in 2014

The cash impact of pensions in 2014 is mainly composed of cash contributions to the pension funds for € 3.3 million, the remaining part of € 1.0 million being benefit payments directly made by Worldline to the beneficiaries.

Note 18 Provisions

(In € million)	31 December 2013	Charge	Release used	Release unused	Other (*)	31 December 2014 Estimates	Current	Non- current
Project commitments	5.3	2.3	(2.6)	(0.5)	(0.3)	4.2	3.2	1.0
Litigations and contingencies	8.0	1.5	(2.5)	(1.5)	(0.5)	5.0	1.5	3.5
Reorganization	0.9	0.7	(0.3)	-	-	1.3	0.6	0.7
Rationalization	0.4	0.1	-	-	-	0.5	-	0.5
Total provisions	14.6	4.6	(5.4)	(2.0)	(0.8)	11.0	5.3	5.7

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

(In € million)	31 December 2012	Charge	Release used	Release unused	Other (*)	31 December 2013	Current	Non- current
Project commitments	11.0	2.2	(6.2)	(0.6)	(1.1)	5.3	-	5.3
Litigations and contingencies	9.3	2.5	(1.6)	(2.8)	0.6	8.0	-	8.0
Reorganization	0.9	1.2	(0.7)	(0.1)	(0.4)	0.9	0.9	-
Rationalization	0.6	-	-	(0.1)	(0.1)	0.4	0.4	-
Total provisions	21.8	5.9	(8.5)	(3.6)	(1.0)	14.6	1.3	13.3

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

Note 19 Borrowings

(In € million)	31 December 2014 Estimates			31 December 2013		
	Cur- rent	Non- current	Total	Cur- rent	Non- current	Total
Finance leases	0.4	1.6	2.0	0.3	1.7	2.0
Securitization	-	-	-	28.9	-	28.9
Overdrafts	3.6	-	3.6	134.7	-	134.7
Current accounts with Atos entities	6.3	-	6.3	404.8	-	404.8
Loans with Atos entities	-	-	-	26.5	44.0	70.5
Other borrowings	0.3	0.3	0.6	0.4	0.3	0.7
Total borrowings	10.6	1.9	12.5	595.6	46.0	641.6

Borrowings in currencies

(In € million)	EUR	Other currencies	Total
31 December 2014 estimates	9.8	2.7	12.5
31 December 2013	562.0	79.6	641.6

Non-current borrowings maturity

(In € million)	2016	2017	2018	2019	>2019	Total
Finance leases	0.1	0.1	0.1	0.1	1.2	1.6
Other borrowings	0.2	-	0.1	-	-	0.3
As at December 31st, 2014 long-term debt - Estimates	0.3	0.1	0.2	0.1	1.2	1.9

(In € million)	2015	2016	2017	2018	>2018	Total
Finance leases	0.3	0.2	0.1	0.1	1.0	1.7
Loans with Atos entities	22.0	22.0	-	-	-	44.0
Other borrowings	0.3	-	-	-	-	0.3
As at December 31st, 2013 long-term debt	22.6	22.2	0.1	-	-	46.0

Hypothesis 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, 2014, and
- interest rates presented hereafter.

The effective interest rates in 2014 were as follows:

(In € million)	Carrying value	Fair value	Effective interest rate
Finance leases	2.0	2.0	6.80%
Securitization and other borrowings	0.6	0.6	-
Total borrowings - Estimates	2.6	2.6	

Change in net cash/(debt) over the period

(In € million)	31 December 2014 Estimates	31 December 2013
Opening net cash/(debt)	(99.6)	(14.6)
New borrowings	(0.2)	(0.3)
Repayment of long and medium-term borrowings	71.1	25.7
Variance in net cash and cash equivalents	206.1	(138.7)
New finance leases	(0.2)	(1.7)
Impact of exchange rate fluctuations on net long and medium-term debt	(3.0)	0.9
Other flows related to financing activities	28.9	29.1
Closing net cash/(debt)	203.1	(99.6)

The other flows related to financing activities mainly correspond to a net repayment of securitization transactions on a consolidated program in the Worldline's IFRS financial statements.

Net Cash/(debt)

(In € million)	31 December 2014 Estimates	31 December 2013
Cash and cash equivalents	215.6	542.0
Borrowings	(1.9)	(46.0)
Current portion of borrowings	(10.6)	(595.6)
Total	203.1	(99.6)

Note 20 Trade accounts and notes payable

(In € million)	31 December 2014 Estimates	31 December 2013
Trade payables and notes payable	187.3	156.0
Trade payables and notes payable	187.3	156.0
Net advance payments	(1.5)	(1.9)
Prepaid expenses	(11.6)	(12.0)
Net accounts payable	174.2	142.1
Number of days' payable outstanding (DPO)	86	71

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

Days payable outstanding (DPO) has increased by 15 days (€ 32.1 million), as a result of renegotiation of payment terms as part of the vendor consolidation program led by the Group.

Note 21 Other current liabilities

(In € million)	31 December 2014 Estimates	31 December 2013
Advances and down payments received on client orders	12.5	9.8
Employee-related liabilities	61.4	56.7
Social security and other employee welfare liabilities	37.2	33.7
VAT payable	37.6	33.4
Deferred income	27.2	30.3
Other operating liabilities	20.0	12.8
Total	195.9	176.7

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 22 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 are posted on the Group balance sheet.

(In € million)	31 December 2014 Estimates	Maturing			31 December 2013
		Up to 1 year	1 to 5 years	Over 5 years	
Finance leases	2.0	0.4	1.6	-	2.0
Recorded on the balance sheet	2.0	0.4	1.6	-	2.0
Operating leases: land, buildings, fittings	85.5	14.2	44.8	26.5	81.8
Operating leases: IT equipment	3.1	2.8	0.3	-	2.0
Operating leases: other fixed assets	8.5	3.8	4.7	-	8.2
Non-cancellable purchase obligations (> 5 years)	15.4	15.3	0.1	-	16.6
Commitments	112.5	36.1	49.9	26.5	108.6
Total	114.5	36.5	51.5	26.5	110.6

Commercial commitments

(In € million)	31 December 2014 Estimates	31 December 2013
Bank guarantees	25.5	18.8
- Operational - Performance	21.1	14.6
- Operational - Bid	0.1	0.1
- Operational - Advance Payment	4.3	4.1
Parental guarantees	7.9	6.4
- Operational - Performance	7.9	6.4
Pledges	-	-
Total	33.4	25.2

For various large long term contracts, the Group provides parental guarantees to its clients. These guarantees amount to EUR 7.9 million as of December 31st, 2014, compared with EUR 6.4 million at the end of December 2013.

Note 23 Related parties

The related parties include:

- The 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 interests expenses related to the financial items.

These transactions are entered into at market conditions.

The related parties transactions are detailed as follows:

(In € million)	12 months ended 31 December 2014 Estimates	12 months ended 31 December 2013
Revenue	50.4	19.6
Operating income	12.1	12.6
Operating expenses	(142.9)	(107.7)
Other operating expenses	(1.0)	(4.0)
Net cost of financial debt	(1.9)	(3.0)

In 2014, these transactions also included the indemnification by Atos to neutralize losses incurred on the RedSpottedHanky service that were originated before the carve-out for a total amount of € 8.4 million.

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 2014 Estimates	12 months ended 31 December 2013
Trade accounts and notes receivables	29.5	20.7
Other current assets	5.6	1.2
Current accounts & cash agreement - Assets	0.3	416.4
Financial liabilities	-	70.5
Trade accounts and notes payables	39.0	27.6
Other current liabilities	-	0.4
Current accounts & cash agreement - Liabilities	6.3	401.4

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

(In € million)	31	Maturing			31
	December 2014 Estimates	Up to 1 year	1 to 5 years	Over 5 years	December 2013
Operating leases: land, buildings, fittings	40.8	6.6	23.7	10.5	51.2
Operating leases: IT equipment	0.2	-	0.2	-	-
Non-cancellable purchase obligations (> 5 years)	0.6	0.1	0.3	0.2	0.2
Commitments	41.6	6.7	24.2	10.7	51.4
Total	41.6	6.7	24.2	10.7	51.4

Cost of Key management personnel of the Group

In 2014, the expenses related to key management personnel include those related to the CEO since its appointment and in accordance with the regulated agreement entered into with Atos in relation to the dedication and remuneration of the Worldline CEO. The expenses related to the General Manager have been taken at 100% for the full year. The cost of the members of the Board corresponds to the Director's fees expensed in 2014. No cost was recorded in relation to the Chairman of the Board of Directors.

In 2013, for the purpose of the preparation of the combined financial statement, the expenses related to the key management personnel of the Group Worldline included the ones related to the Chairman of the Board of Directors as well as the Chief Executive Officer and the General Manager. The expenses related to the members of the Board of directors were not considered for the preparation of the combined financial statements. The expenses of the Chairman of the Board of directors and the Chief Executive Officer were calculated on the basis of a percentage of the revenue of the Group, compared to the Atos' revenue. The expenses related to the General Manager were taken at 100%.

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 2014 Estimates	12 months ended 31 December 2013
	Short-term benefits	0.9
Employer contributions	0.5	0.8
Post-employment benefits	0.0	0.3
Free share plans & stock options (*)	0.1	0.4
Total	1.6	2.3

(*) In 2014: Worldline stock options granted to key management personnel of Worldline as of September 03, 2014

In 2013: Free share plans and stock options granted to key management personnel of Worldline come from Atos plans and refer to Atos share.

Short-term benefits include salaries, bonuses and fringe benefits. The employer contributions and other taxes includes the cost of social charges on the stock options granted in 2014. On performance shares and stock option, the cost includes the IFRS 2 charge on the prorata temporis since the grant date. The increase in employer contributions in 2013 is due to the French exceptional taxation of high salaries.

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 24 Market risk

Exchange risk

Majority of the Group's revenues, expenses and obligations are denominated in euro. In 2014, 75.5% of the Group's revenues were generated in euro-zone countries whereas 24.5% were generated in non-euro zone countries, including 13.2% 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, 2014, 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 as indicated in the table below. 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, 2014 was € 203.1 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.

Wordline'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 of 2 years and contains no financial covenants. There is no utilization of the RCF since Wordline is holding a position of net cash.

Credit and/or Counterparty Risk

Credit and/or counterparty risk refers to the risk that a 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 analyzing bad debt levels for each type of merchant business and adjusts fees charged to merchants accordingly.

Note 25 Main operating entities part of scope of consolidation as of December 31st, 2014

	% of Interest	Consolidation method	% of Control	Address
FRANCE				
Worldline SA	100	FC	100	80, quai Voltaire - 95870 Bezons
Mantis SAS	100	FC	100	24, rue des Jeûneurs - 75002 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	100	FC	100	80, quai Voltaire - 95870 Bezons
Similo SAS	100	FC	100	80, quai Voltaire - 95870 Bezons
GERMANY				
Atos Worldline GmbH	100	FC	100	Hahnstraße 25 - 60528 Frankfurt - Germany
Atos Worldline Holding GmbH	100	FC	100	Hahnstraße 25 - 60528 Frankfurt - Germany
THE NETHERLANDS				
Atos Worldline B.V.	100	FC	100	Wolweverstraat 18 - 2980 CD Ridderkerk - The Netherlands
OTHER EUROPE - MIDDLE EAST - AFRICA				
Austria				
Atos Worldline Austria GmbH	100	FC	100	Siemensstraße 92 - 1210 Vienna - Austria
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
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	Conso- lidation method	% of Control	Address
ASIA PACIFIC				
China				
Worldline (China) Co Ltd	100	FC	100	Room 01.111, Floor 1, Building 17, No.7, Zhonghuan Nanlu, Wangjing, District Chaoyang , Beijing - 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	701, Interface 11 - Malad (West) - Mumbai 400064 - India
One to One Marketing Solutions (India) Pte Limited	100	FC	100	701, Interface 11 - Malad (West) - Mumbai 400064 - India
Indonesia				
PT Worldline International Indonesia	100	FC	100	Wisma Keiai #1707 - Jalan Jenderal Sudirman Kav 3 - Jakarta 10220 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	Avenida Providencia 1760 Piso 17, Comuna de Providencia - 8320000 Santiago de Chile - Chile

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