

2015 annual results

Tuesday, February 23rd, 2016

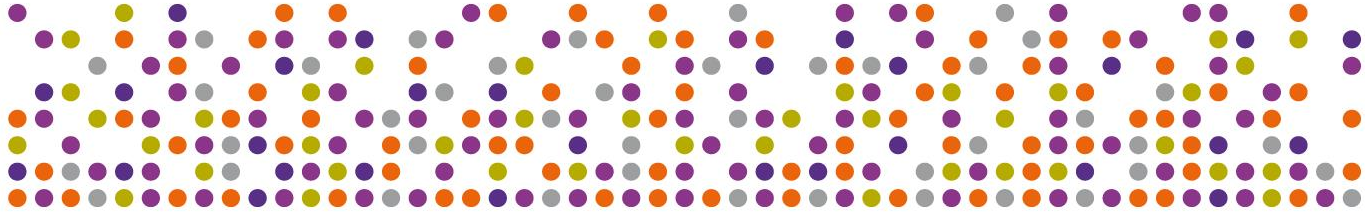


worldline
e-payment services



Disclaimer

- This document contains further forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and profitability in the future. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the 2014 Registration Document filed with the Autorité des Marchés Financiers (AMF) on April 27, 2015 under the registration number: R.15-021 and its update filed on August 6, 2015 under the registration number D.15-0292-A01
- Audit procedures on the consolidated financial statements have been performed. The audit report will be issued after the finalization of the specific verifications required by French law and of procedures for the purposes of the Registration Document filing.
- Revenue and OMDA organic growth are presented at constant scope and exchange rates. 2016 objectives have been considered with exchange rates as of December 31, 2015.
- Global Business Lines include Merchant Services & Terminals (in Belgium, France, Germany, India, Luxembourg, Spain, The Netherlands and United Kingdom), Financial Processing & Software Licensing (in Belgium, China, France, Germany, Hong Kong, India, Indonesia, Malaysia, Singapore, Spain, Taiwan and The Netherlands), and Mobility & e-Transactional Services (in Argentina, Austria, Belgium, Chile, France, Germany, Spain, and the United Kingdom).
- This presentation does not contain or constitute an offer of Worldline's shares for sale or an invitation or inducement to invest in Worldline's shares in France, the United States of America or any other jurisdiction.



2015 highlights

Gilles Grapinet, Chief Executive Officer



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e-payment services



Continued acceleration of the revenue growth along the year

- **Revenue: €1,227.0**
+4.4% organic growth
- **Continuous growth acceleration of the company**
from 2.2% in H1 2014 to 4.6% in H2 2015
- **Very strong Q4 2015**



**Growth
acceleration**
notably in MS&T
and FP&L



Worldline well positioned to pursue accelerating growth in 2016



Profitability improvement delivered on tract with plan

- **OMDA: € 235.3 million**
+50 bp Vs 2014 as planned
- **Success of TEAM's profitability improvement programs**
- **Revenue acceleration converted into profitability improvement**



**Transformation
of the company**
and profitability
improvement



Transformation plan and revenue acceleration to continue supporting productivity improvement in 2016 and beyond



A very strong free cash flow in 2015

- **Strong free cash flow generation: € 128.5 million**
+12.3% Vs 2014
- **FCF/OMDA conversion of 55%**
- **Net cash position reaching € 323.3 million**



Exceeding FCF
generation
guidance of
€120-125m



**Continued focus on improvement of the
FCF conversion**

Confirmation of Worldline position as a natural consolidator in the European payment industry

- **Worldline to join forces with Equens** to strengthen its pan-European leadership in payment services
- Creation of **Equens Worldline Company**, the largest pan-European financial processor



EQUENS **PaySquare**

Closing expected in Q2 2016 as planned

- **Komerční banka** and Worldline will form a partnership for providing merchant acquiring and payment processing services to retailers under brand name KB SmartPay



 **KB** | **SmartPay**

Closing expected in Q2 2016

Worldline emerging as a leading brand and recognized for its innovation

Strong R&D focus for next generation payment



Worldline ranked by Ovum as **one of the 5 world leaders in Card Management Services.**



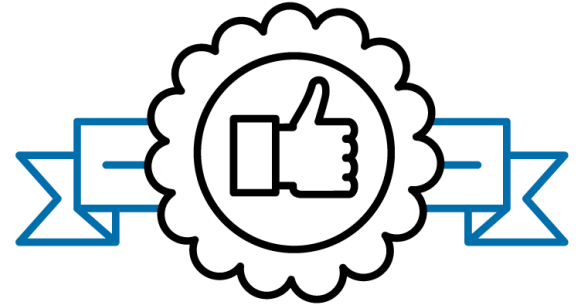
**2015 MPE Award
in mPoS category**
Mobile Seller



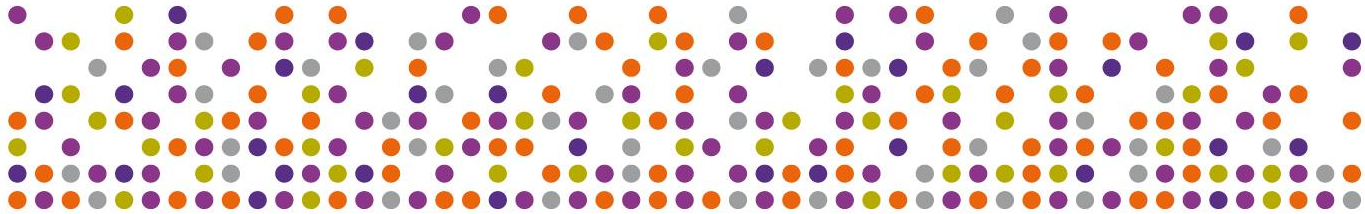
2015 PayForum Award
New retail Host Point of Sale
(HPE) solution



2015 Banking & Innovation
Digital Assistant



Recognition
*as a leading brand
and as a trusted
and innovative
partner*



2015 Financial performance

Bruno Vaffier, Chief Financial Officer



Constant scope and exchange rate figures reconciliation

<i>In € million</i>	FY 2014			FY 2015	
	FY 2014 statutory (reported)	Exchange rates effect	FY 2014*	FY 2015 actuals	Var.
Revenue	1,149.3	26.2	1,175.5	1,227.0	+4.4%
OMDA	215.1	4.4	219.5	235.3	
OMDA%	18.7%		18.7%	19.2%	+0.5 pt

* At constant scope and 2015 exchange rates

2015 Financial performance overview

In € million	Revenue			OMDA		OMDA %	
	FY 2015	FY 2014*	% Growth	FY 2015	FY 2014*	FY 2015	FY 2014*
Merchant Services & Terminals	401.9	379.2	+6.0%	77.8	80.4	19.4%	21.2%
Financial Processing & Software Licensing	413.8	402.4	+2.8%	107.7	101.4	26.0%	25.2%
Mobility & e-Transactional Services	411.3	393.8	+4.4%	68.3	54.9	16.6%	13.9%
Corporate Costs				-18.5	-17.2	-1.5%	-1.5%
Worldline	1,227.0	1,175.5	+4.4%	235.3	219.5	19.2%	18.7%

* At constant scope and 2015 exchange rates



Merchant Services & Terminals

Constant growth acceleration from 2.9% in Q1 to **+7.4% in Q4 2015** driven by successful commercial activities and international developments.



Financial Processing & Software Licensing

Acceleration confirmed as planned all along the year reaching **+4.8% in Q4 2015**.

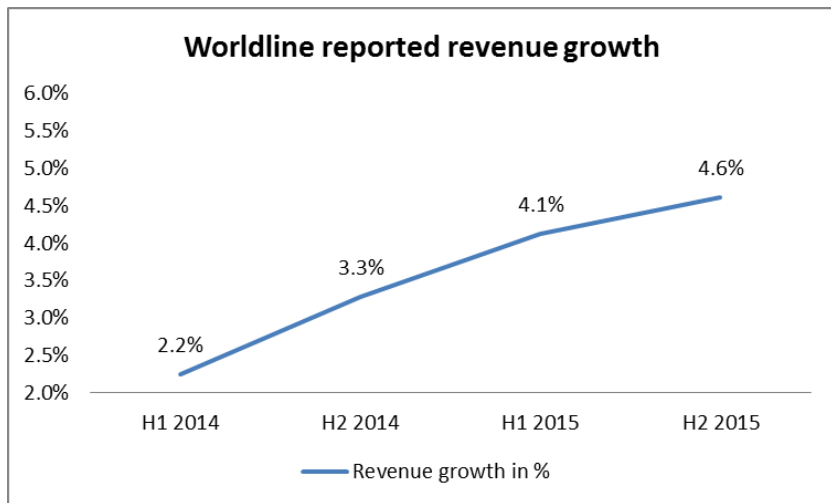


Mobility & e-Transactional Services

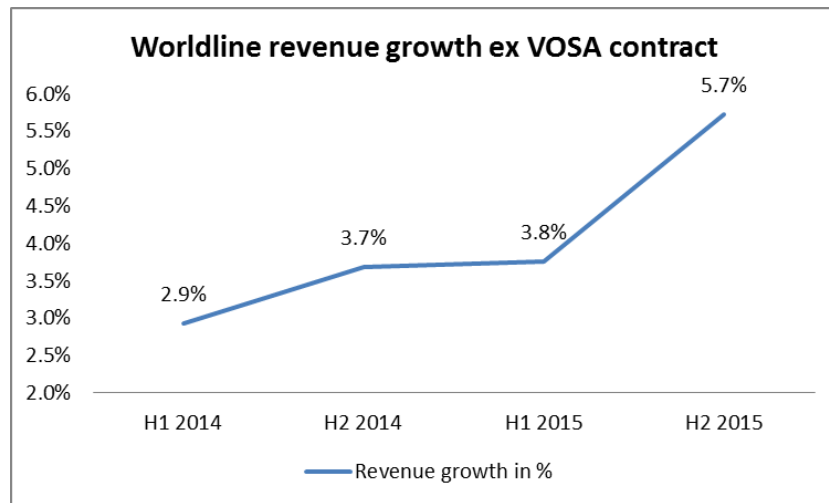
MeTS grew in Q4 despite the termination of a large UK public sector contract end of Q3 2015.

+50bp OMDA
improvement
in line with the
full year target

Continuous growth acceleration since beginning of 2014



From +2.2% in H1 2014 to +4.6% in H2 2015



From +2.9% in H1 2014 to +5.7% in H2 2015
(+6.3% in Q4 2015)

Merchant Services & Terminals



In € million

Revenue

OMDA

OMDA%

Merchant Services & Terminals

FY 2015

FY 2014*

% Growth

401.9

379.2

+6.0%

77.8

80.4

19.4%

21.2%

-1.8pt

* At constant scope and 2015 exchange rates

Revenue

- Acceleration of growth in **Commercial Acquiring** along the year: double digit growth rate in online transaction volumes , international expansion and favorable price mix;
- **Payment Terminal** benefitting from the growth in *Commercial Acquiring* as well as expansion both in Benelux and in newly penetrated markets.

OMDA

- **OMDA impacted in H1** by a strategic investments mainly in *Commercial Acquiring*;
- As anticipated, **significant acceleration of OMDA in H2 2015** vs H1 2015, with H2 2015 OMDA exceeding H2 2014 in value, thanks to volume increase as a result of successful commercial actions.

Financial Processing & Software Licensing

Financial Processing & Software Licensing



<i>In € million</i>	FY 2015	FY 2014*	% Growth
Revenue	413.8	402.4	+2.8%
OMDA	107.7	101.4	
OMDA%	26.0%	25.2%	+0.8 pt

* At constant scope and 2015 exchange rates

Revenue

- Confirmed dynamism of **Online Banking Services**: new contracts signed and continued growth in volumes,
- **Significant business in new payment means** and related strong authentication solutions;
- Strong **License** sales in Asia, France and Germany;
- **Processing** activities driven by value-added innovative offerings in payment security and fraud management solutions.

OMDA

OMDA benefitted from continuous optimization and efficiency gains from the TEAM program and to a favorable sales' mix.

Mobility & e-Transactional Services



Mobility & e-Transactional Services

In € million

	FY 2015	FY 2014*	% Growth
Revenue	411.3	393.8	+4.4%
OMDA	68.3	54.9	
OMDA%	16.6%	13.9%	+2.7 pt

* At constant scope and 2015 exchange rates

Revenue

- Double-digit growth in **e-Consumer & Mobility** with several new contracts signed;
- Significant growth in **e-Ticketing activities** in Latin America;
- Positive growth in **e-Government collection** for the full year despite the planned end of a significant contract in the UK in Q3.

OMDA

OMDA improvement driven by the recovery of specific project delivery, operating leverage and benefit of cost optimization actions.

Income statement

<i>In € million</i>	2015	2014
OMDA	235.3	215.1
Operating Margin	174.9	170.3
Staff reorganization	-6.6	-3.4
Rationalization and associated costs	-6.2	-8.7
Integration & acquisition costs	-7.2	-0.5
Customer relationships amortization (PPA)	-3.5	-3.5
Others	-3.3	-3.6
Operating income	148.1	150.6
Net financial expenses	-5.9	-7.4
Income tax expenses	-38.8	-41.0
Non controlling interests and associates	-	-1.8
Net income Group Share	103.4	100.4

Key Observations

- **Rationalization expenses** include costs relating to the continuation of the TEAM program and office premises reorganization
- **Integration & associated costs** include the costs related to the Equens and Paysquare acquisition
- **Tax charge** corresponds to an ETR of 27.3% in 2015, down 130 bps vs 2014.
- **Adjusted EPS** (diluted) reaches €0.89

Cash flow statement

<i>(In € million)</i>	2015	2014
Operating Margin before Depreciation and Amortization (OMDA)	235.3	215.1
Capital expenditures	-67.0	-68.9
Change in working capital requirement	11.9	22.8
Cash from operation	180.2	169.0
Taxes paid	-29.9	-34.5
Net cost of financial debt paid	-1.4	-2.2
Reorganization in other operating income (OOI)	-6.5	-3.0
Rationalization & associated costs in OOI	-6.2	-6.1
Integration and acquisition costs	-1.1	-0.5
Net long term financial investments	-1.9	-1.2
Other changes	-4.8	-7.1
Free Cash Flow	128.5	114.4
Net material (acquisitions)/disposals	-	-11.6
Capital increase/(decrease)	-	248.1
Purchase of shares	-2.4	-
Dividends paid to owners of the parent	-	-45.1
Change in net cash/(debt)	126.1	305.8
Foreign exchange rate fluctuation on net cash/(debt)	-5.9	-3.1
Opening net cash/(debt)	203.1	-99.6
Closing net cash/(debt)	323.3	203.1

Key Observations

- Capex is broadly in line with the multi-year investment plan.
- Change in WCR reflects the improvement in receivable collections (DSO: -14 days)
- Free cash flow/OMDA conversion of 54.6%
- Free cash flow up 12.3% compared to 2014
- Net cash end of December 2015: € 323.3 million

Simplified balance sheet

<i>In EUR million</i>	December 31, 2015	December 31, 2014
Goodwill	380.1	374.8
Intangible assets	123.7	105.0
Tangible assets	66.2	72.6
Net non-current financial assets	56.4	9.0
Net deferred tax assets	37.8	47.3
Net non-current assets	664.2	608.7
Working capital requirement	-109.2	-88.1
Total equity	788.7	629.1
Pension provision	79.5	83.6
Provisions	10.1	11.0
Net cash	323.3	203.1

Key Observations

- **Goodwill** mainly derives from the acquisition of Banksys/BCC
- **Intangible assets** increase due to internally developed WIPE modules
- Increase in **non-current financial assets** is due to the re-evaluation of the Visa Europe share held by Worldline to its fair value (€45m), following the announcement by Visa Inc. to acquire Visa Europe.



Equens: reminder of the key financial terms



PaySquare acquisition cash out of € 72 million



Cash free combination of the processing activities to set up “Equens Worldline Company”, controlled by Worldline at 63.6%*



Liabilities (pensions in particular) at closing **to be fully compensated**



Call option exercisable from 2019 in cash or in shares

Transaction structure leading to increased financial flexibility

** alongside with 5 major banking shareholders (36.4%)*



Equens transaction: Reminder of the impacts on revenue, OMDA and EPS (closing in Q2 2016)

Impact on revenue growth

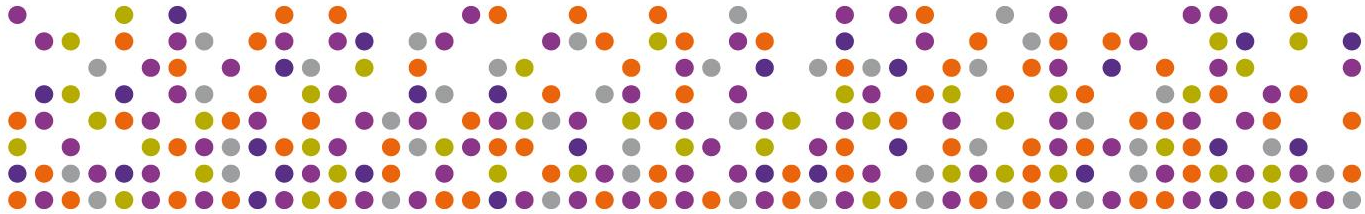
- **Neutral on FPL short-term** growth profile, **positive in the medium term** through revenue synergies

Impact on **OMDA**

- Full benefit of the **c. € 40 million run-rate synergies in 2018**
- Application convergence program to bring **an additional c. € 15 million cost synergies by 2021.**

Impact on **EPS**

- Transaction **accretive to EPS post implementation costs and PPA in 2018**
- **Accretive to adjusted EPS in 2017** (before implementation costs), double digit from 2018 onwards
- **Up to 20% EPS accretion in case of buy-out** of minority shareholders in cash



commercial & operational performance

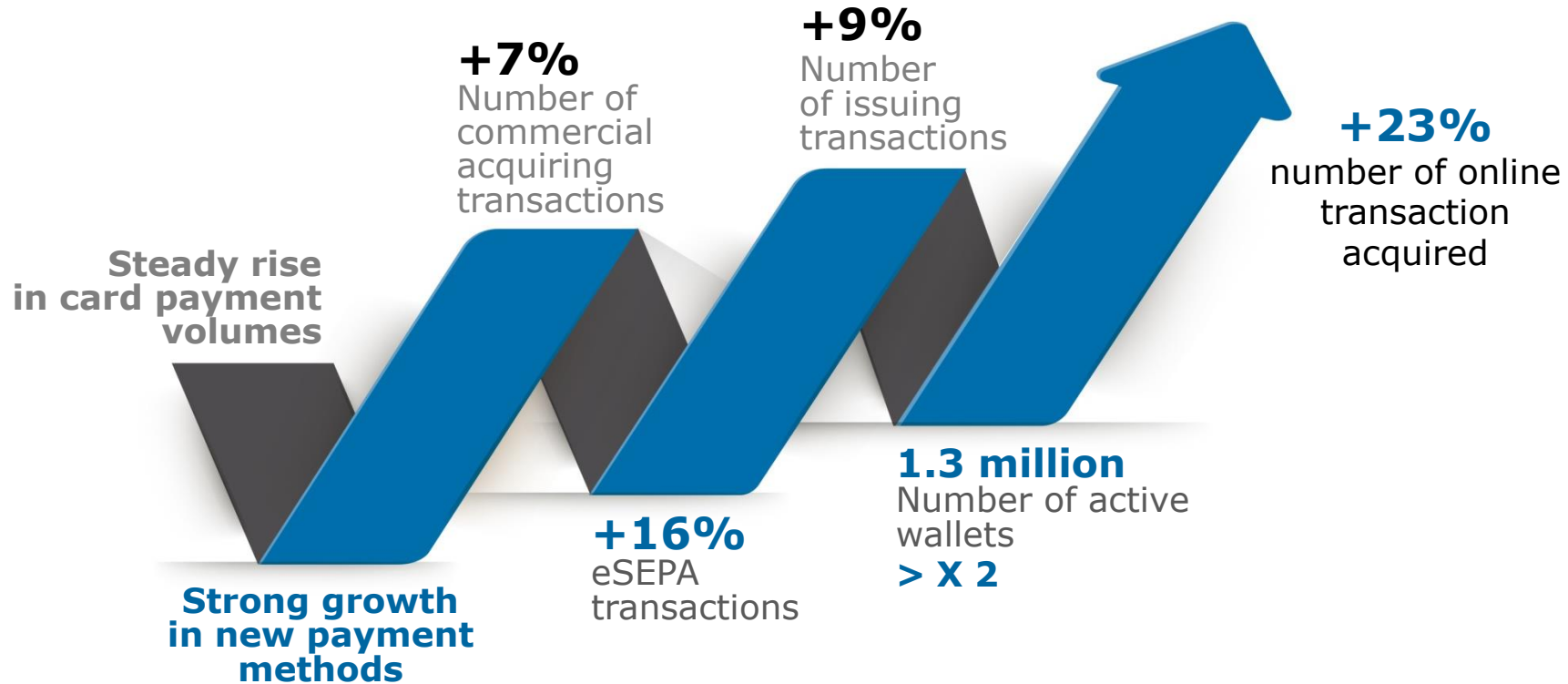
Marc-Henri Desportes, General Manager



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Fast increase in payment volumes on all platforms



Capture of new opportunities coming from digital and structural transformation (1/3: MS&T)



Online acceptance
+ acquiring

Merchant
wallets



Digital
retail

Leading global
cosmetics
chain



**Merchant
Services
& Terminals**

**Strong
momentum
of the business
fundamentals**

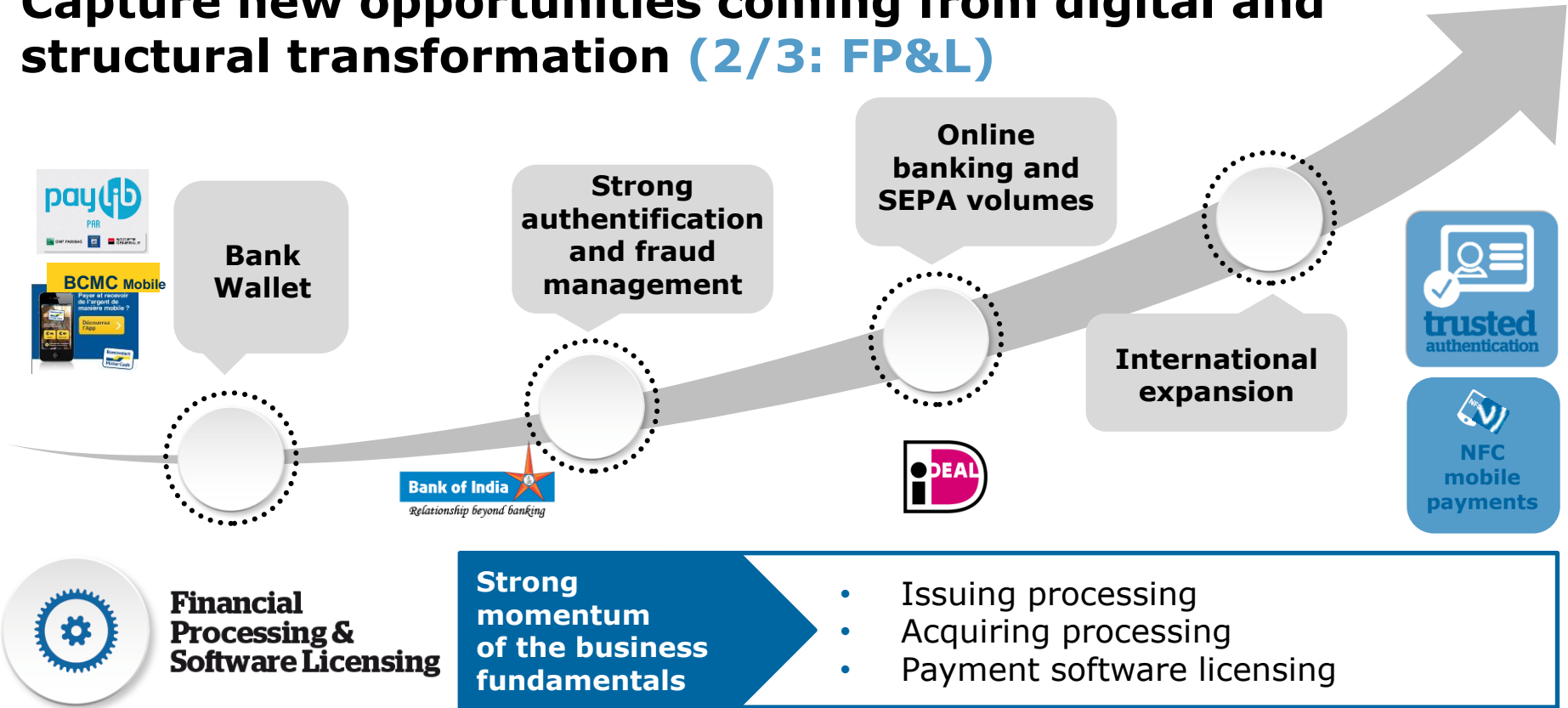
- Commercial acquiring
- Value added services (loyalty, data analytics...)
- Payment Terminals & Acceptance services

New Acquiring alliance with Komerční banka

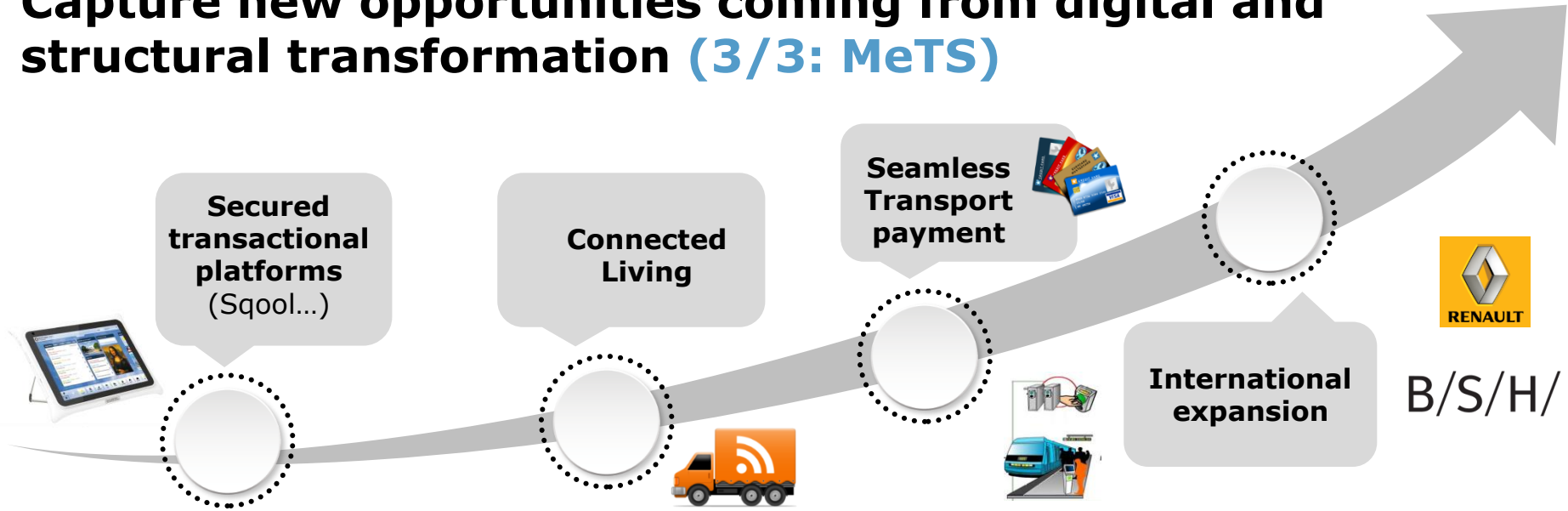


- Komerční banka and Worldline **will form a partnership** for providing **merchant acquiring and payment processing services** to retailers under brand name **KB SmartPay**
- **Initial scope :**
 - Czech Republic
 - In shop and online
- **KB is the third Czech Bank** with :
 - 8,400 employees
 - 2.4 million clients
 - network of c. 400 business points
- **Czech Republic: a very attractive and sizable market for Payments, with significant growth and upside potential**
 - Turnover acquired : c. 15 Billion €
 - Transaction growth : 15%
 - Equipment ratio : 10 POS Terminals per 1000 people

Capture new opportunities coming from digital and structural transformation (2/3: FP&L)



Capture new opportunities coming from digital and structural transformation (3/3: MeTS)



Mobility & e-Transactional Services

Strong momentum of the business fundamentals

- e-Ticketing (Route Management, Smart Ticketing)
- e-Government (Digitization, e-health)
- e-Consumer & Mobility (Contact)



Update on the Radar contract renewal

Tender process

In the former contract, Worldline was coordinating many subcontracted services. The new tender did **split the former scope into independent lots**.

Tender result

As announced in Q3 2015, Worldline not selected for the renewal of the core IT system of the Radar contract.

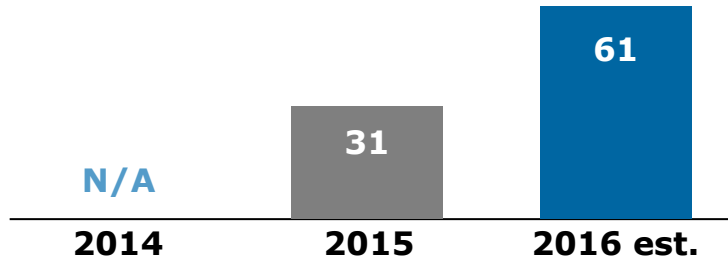
Worldline retained for the internet payment engine for the fines; and **well positioned** for the **electronic parking** offense management system.

Transition timing

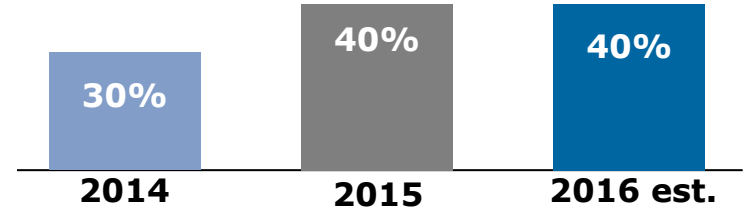
- **Former contract extended until June 2016**

Team program delivering as planned

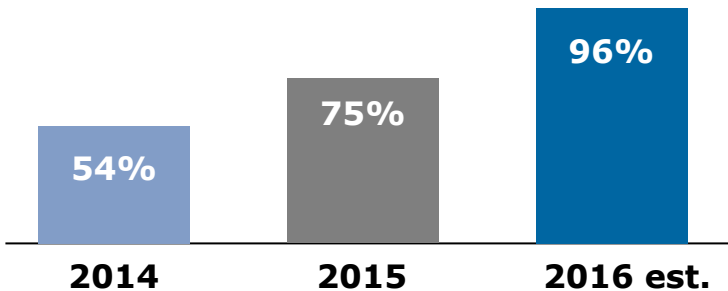
Number of business account plans reviewed



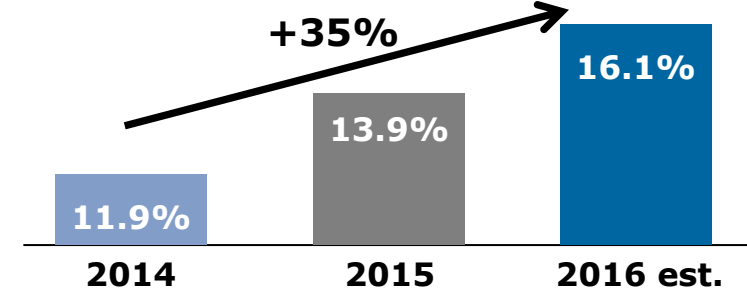
Contract coverage review for project margin improvement (% of yearly revenue)



Lean coverage



Off-shore ratio



Translation of Worldline's R&D and innovation into new commercial wins in 2015



Allowing banks to decrease the cost of fraud

Trusted Authentication

5 European banks

Allowing banks to decrease the cost of fraud

ACS

9 Luxemburg Banks

ING for MyBank

Authentication HUB

Providing bank customers with secured mobile payment wallets

Issuer Wallet



Sparda-Banken

Interoperability with



Boursorama

Allowing banks to provide mobile payment wallet without being dependant from smartphone or SIM card manufacturers

HCE

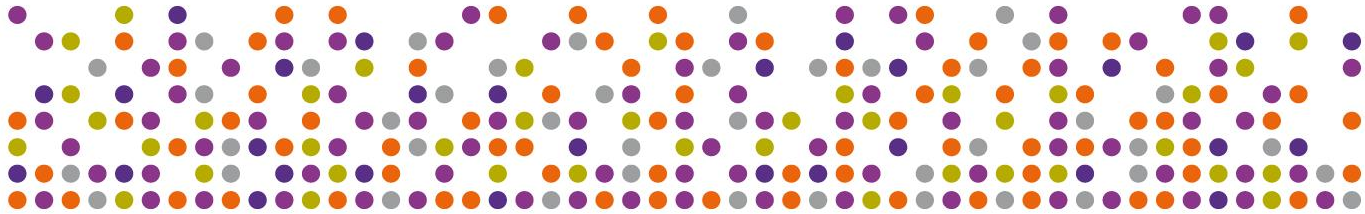
VISA Europe France (5 issuers)



Providing large retailers' customers with secured mobile payment wallets and other digital capabilities

Retail Wallet





Update on Equens transaction

Marc-Henri Desportes, General Manager



Carve-out

Work stream weekly committee: Worldline

- C01 – Technical Operations
- C02 – Applications
- C03 – Customer contracts
- C04 – Service agreements
- C05 – Human Resources
- C06 – Finance
- C07 – Supplier contracts
- C08 – Real Estate
- C09 – Internal IT

Transaction

Work stream weekly committee: Worldline

- T01 – AntiTrust
- T02 – Legal / Disclosure
- T03 – Preclosing Governance
- T04 – Regulatory
- T05 – Human Resources
- T06 – Finance
- T07 – Tax

Integration (phase 1)

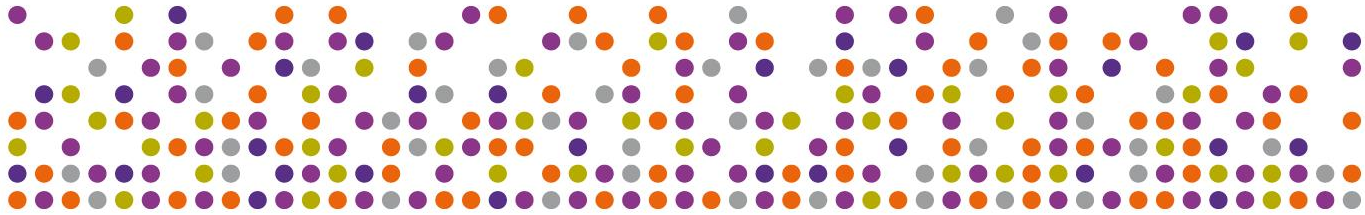
Work stream weekly committee: Equens leads

- Human Resources
- Finance
- Corporate IT
- Risk & Compliance
- Audit
- Legal, Marketing & Communication
- TO / Business Infra.
- Procurement
- Real Estate
- Applications
- Other operational topics
- G&A
- Revenue

TEAM work streams

Monthly review

- I01 – Sales effectiveness
- I02 – Contract profitability
- I03 – Industrialization of development methods
- I04 – Optimization of development organization
- I05 – Production activities transformation
- I07 – Customer services
- I08 – Purchasing
- I10 – Lean
- I10 – Real Estate
- I11 – Strengthen workforce management and develop off-shore
- I12 – Roll-out standardized processes
- I13 – Communication and change management
- I14 – Roll-out of IT tooling



conclusion

2015 annual results

Gilles Grapinet, Chief Executive Officer





2016 full year guidance

Excluding any contribution from Equens and Paysquare

Revenue

c. **3% organic growth**

OMDA

c. **+80 bp vs. 2015**

Free
Cash Flow

€ 135 million to € 140 million

Including the exceptional cash-out linked to the Equens transaction costs (c.€12m)

Complementary benefits of the Equens and KB transactions

Strongly enhancing the new profile of the enlarged group



Financial
Processing &
Software Licensing



EQUENS

- **C.100 million** of cards under management
- **c. 10 billion** SEPA payment transactions processed annually
- **6 billion** ATM and POS transactions processed

Financial Processing revenue:
c. +65%



Merchant
Services
& Terminals



PaySquare

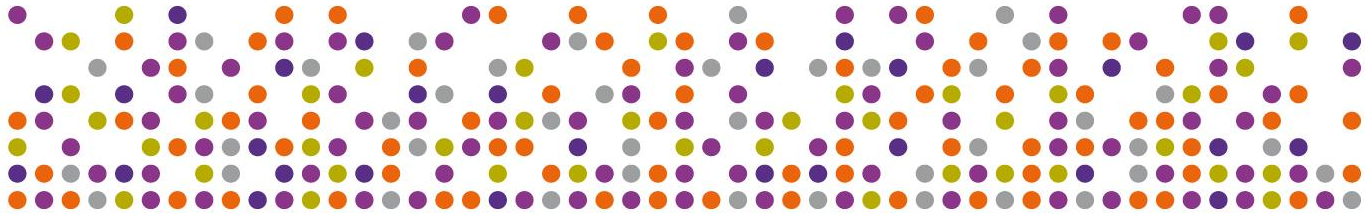


KB | SmartPay

- **Geographical diversification:**
- **Netherland, Germany, Poland** with Paysquare
- **Czech republic** with KB
- Further expansion prospects in Central Europe



Commercial acquiring revenue:
c. +40%



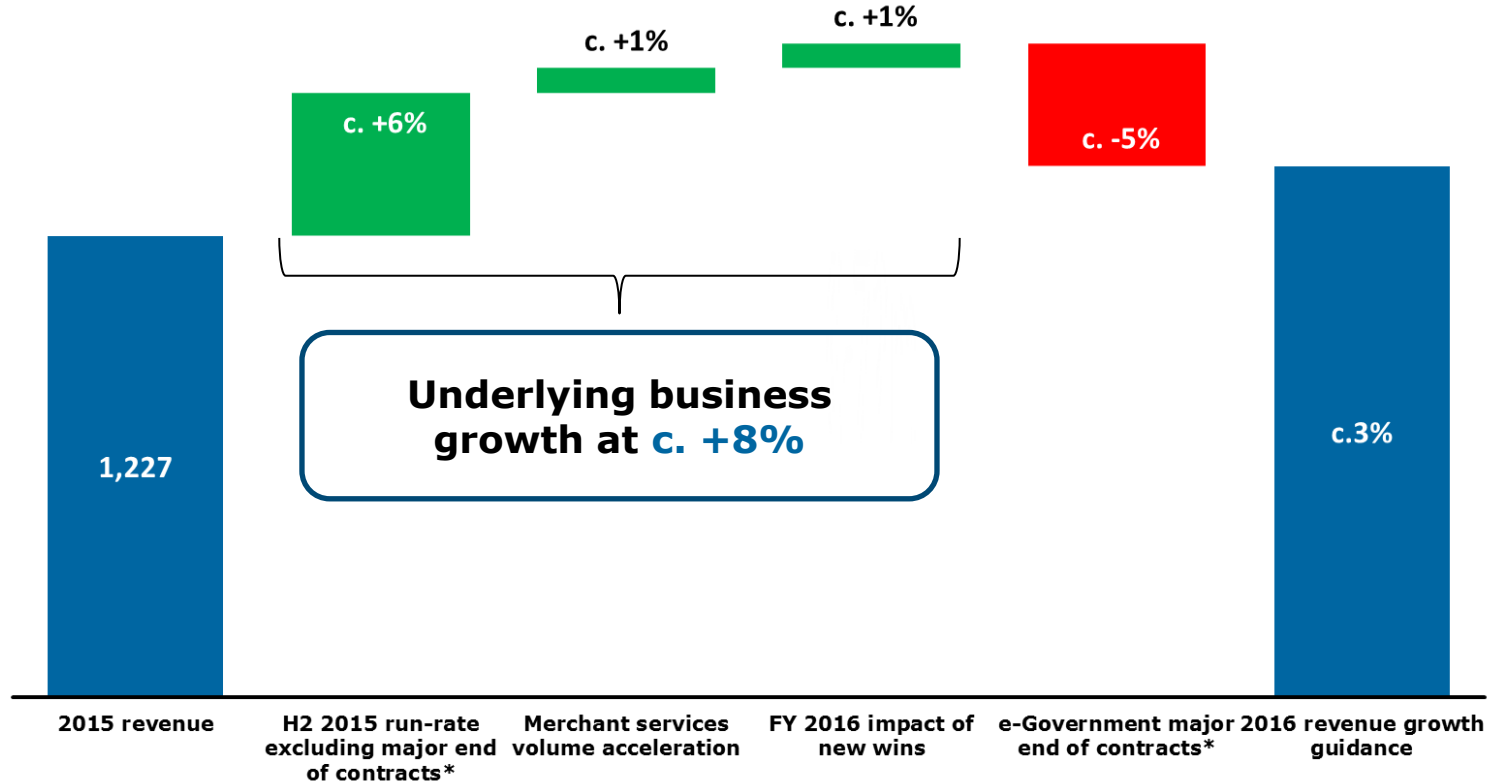
Q&A session

2015 annual results

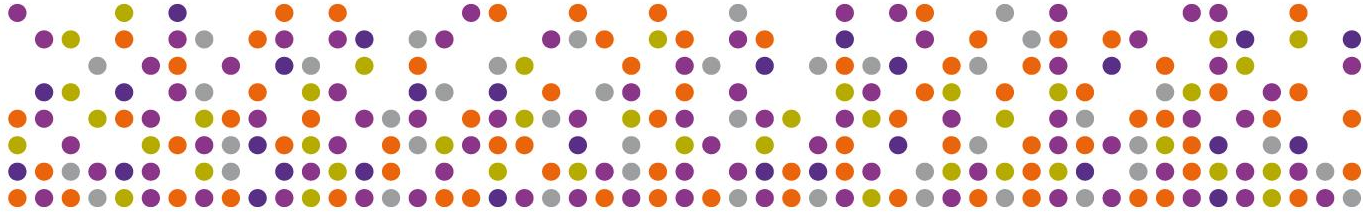


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2016 revenue growth ambition bridge



*: impact of the termination of the VOSA contract in Q3 2015 and hypothesis regarding the Radar contract finishing at the end of June 2016



Thank you

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