2016 half-year financial report

Including the 2016 half year financial statements

The review procedures on the interim financial information have been performed by the statutory auditors. Their review report is currently being issued.

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A FINANCIALS

A.1 Operational review

A.1.1 Executive Summary

At constant scope and June **2016** average exchange rates, **revenue** stood at **€ 614.8 million** representing an organic growth of **+6.0 %** at the end of **June 2016** compared with the first half of **2015**.

- **Merchant Services & Terminals ("MS&T")**, which represented 34% of Worldline's revenue, grew by **+9.4%** at constant scope and exchange rates compared with the first semester of **2015** and reached **€ 210.1 million**. The growth mainly came from *Commercial Acquiring*, driven by higher volumes and positive price / volume mix on transactions on both BCMC[1] and International brand schemes and from *Payment Terminals* thanks to a good momentum in International Sales as well as in the Netherlands. Growth in *Private Label Cards & Loyalty Service*s resulted mainly from increase in Digital Self Service Kiosks sales in the UK, while less project activity was recorded in *Online services*.

- Representing 34% of Worldline's revenue, **Financial Processing & Software Licensing ("FPL")** reached **€ 208.1 million**, up **+4.6%** organically. Performance was mainly driven by *Acquiring Processing* thanks to solid volume growth in France and in India. *Issuing Processing* benefitted from a strong activity in Authentication services and volume growth in core issuing processing business. *Payment Software Licensing* grew with good license sales in Europe and increased licensing activity in APAC. Despite higher volumes notably in OBeP[2], revenue in *Online Banking Services* was stable due to an unfavourable 2015 comparison basis.

- Representing 32% of total revenue, **Mobility & e-Transactional Services ("MeTS")** revenue was **€ 196.6 million**, up **+4.1**% compared with H1 **2015**, despite the impact of the termination of the VOSA contract in the UK public sector, which occurred at the end of Q3 2015 and for which a revenue of € 17.8 million (at current exchange rates) was recorded in H1 2015. Excluding the VOSA contract, the growth of MeTS would have been +14.9% in H1 2016. This performance could be achieved thanks to:
  - Strong sales recorded in *e-Government Collection* in France, Austria and Argentina; and
  - A double digit growth in *e-Consumer & Mobility,* particularly in Contact & Consumer Cloud in France and in Connected Living in France and in Germany.

By geography, the revenue growth was mostly driven by Benelux (€+19.8 million or +11.5%), France (€+19.5 million or +9.6%), Latin America and Iberia (+11.2%), Asia (+9.8%) and Germany & Eastern and Central Europe (+6.1%). The United-Kingdom (€-14.6 million or -18.5%) was affected by the termination of the VOSA contract aforementioned.

Sales to or through Atos increased by €+2.0 million (+8.3%) and reached € 25.6 million at June 2016 year-to-date.

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[1] Bancontact Mistercash : Belgium local debit scheme
[2] Online Banking Electronic Payment

Worldline's **Operating Margin before Depreciation and Amortization ("OMDA")** reached **€ 117.2 million**, an increase of **+80 basis points**, in line with the plan for the year. This improvement came mainly from **Merchant Services & Terminals (+380 basis points)** and in **Financial Processing & Software Licensing (+10 basis points)**. OMDA declined by **-160 basis points in Mobility and e-Transactional services** since profitability of that Global Business Line was temporarily impacted by the substitution of revenue from a mature UK contract, by new businesses consisting of project activities and ramping-up volumes.

Order entry in Financial Processing & Software Licensing was high thanks to large contract renewals, in particular in Germany, in Benelux and in Poland. Commercial activity in Mobility & e-Transactional Services was strong, in particular in France, while commercial activities in Merchant services & Terminals were stable.

The **full backlog** at the end of June 2016 amounted to **€ 1.8 billion**, stable at **1.5 years** of revenue.

The **total number of employees** was **7,340** at the end of June 2016 compared with an opening of 7,354 at the end of December 2015, representing a decrease of **-14 employees** over the first semester of 2016 (-0.2%).

Attrition rate (voluntary leavers) remained low at **7.0%,** slightly increasing compared to last year.

A.1.2 Statutory to constant scope and exchange rates reconciliation

A.1.2.1 Revenue

Revenue in the first semester of 2016 amounted to € 614.8 million, representing an organic change of +6.0% compared to 2015 first half revenue at constant scope and exchange rates of € 579.8 million.

Reconciliation between the first half 2015 statutory revenue and first half 2015 revenue at constant scope and foreign exchange rates, per Global Service Line and by geography, is presented below

	Revenue			
In € million	**H1 2015 statutory**	**Exchange rates effect**	**H1 2015***	**H1 2016 actuals**
Merchant Services & Terminals	193.5	-1.4	192.0	210.1
Financial Processing & Software Licensing	200.5	-1.6	198.9	208.1
Mobility & e-Transactional Services	201.0	-12.2	188.8	196.6
Worldline	**595.0**	**-15.2**	**579.8**	**614.8**

* At constant scope and June YTD 2016 average exchange rates

In € million	**H1 2015 statutory**	**Exchange rates effect**	**H1 2015***	**H1 2016 actuals**
France	203.5		203.5	222.9
Benelux	172.9		172.9	192.7
UK	84.1	-4.8	79.3	64.7
Germany / CEE	62.0		62.0	65.8
LATAM / Iberia	40.1	-8.6	31.5	35.0
Asia	32.5	-1.8	30.7	33.7
Worldline	**595.0**	**-15.2**	**579.8**	**614.8**

* At constant scope and June YTD 2016 average exchange rates

Exchange rate effects reflect mostly the appreciation of the Euro versus the Argentinian Peso and the British Pound. Please note that there was no change in scope compared with last year.

The 2015 figures presented in this Operatinal Review are based on the constant foreign exchange rates data.

A.1.2.2 Operating margin before Depreciation and Amortization (OMDA)

OMDA for the first semester of 2016 amounted to € 117.2 million, representing 19.1% of revenue, an improvement of +80 basis points compared with the OMDA at constant scope and foreign exchange rates for the first half of 2015.

Reconciliation between the first half 2015 statutory OMDA and 2015 OMDA at constant scope and foreign exchange rates, per Global Service Line, is presented below:

	OMDA			
In € million	**H1 2015 statutory**	**Exchange rates effect**	**H1 2015***	**H1 2016**
Merchant Services & Terminals	33.9		34.0	45.1
Financial Processing & Software Licensing	48.7	-0.4	48.3	50.8
Mobility & e-Transactional Services	35.4	-2.7	32.7	30.9
Corporate Costs	-9.3		-9.3	-9.6
Worldline	**108.7**	**-3.1**	**105.7**	**117.2**

* At constant scope and June YTD 2016 average exchange rates

A.1.3 Revenue profile evolution

Worldline's revenue profile remained balanced in H1 2016, with each Global Service Line representing circa one third of Worldline's revenue.

	Revenue		
In € million	**H1 2016**	**H1 2015***	**% of Total**
Merchant Services & Terminals	210.1	192.0	34.2%
Financial Processing & Software Licensing	208.1	198.9	33.8%
Mobility & e-Transactional Services	196.6	188.8	32.0%
Worldline	**614.8**	**579.8**	**100.0%**

* At constant scope and June YTD 2016 average exchange rates

Europe remained Worldline's main operational base, generating 91% of total revenue, stable compared to H1 2015 at constant scope and exchange rates.

	Revenue		
In € million	**H1 2016**	**H1 2015***	**% of Total**
France	222.9	203.5	36.3%
Germany, Central and Eastern Europe	65.8	62.0	10.7%
Benelux	192.7	172.9	31.4%
UK	64.7	79.3	10.5%
Latin America and Iberia	35.0	31.5	5.7%
Asia	33.7	30.7	5.5%
Worldline	**614.8**	**579.8**	**100.0%**

* At constant scope and June YTD 2016 average exchange rates

A.1.4 Performance by Global Business Line

In € million	Revenue			OMDA		OMDA %	
	H1 2016	H1 2015*	% Growth	H1 2016	H1 2015*	H1 2016	H1 2015*
Merchant Services & Terminals	210.1	192.0	+9.4%	45.1	34.0	21.5%	17.7%
Financial Processing & Software Licensing	208.1	198.9	+4.6%	50.8	48.3	24.4%	24.3%
Mobility & e-Transactional Services	196.6	188.8	+4.1%	30.9	32.7	15.7%	17.3%
Corporate Costs				-9.6	-9.3	-1.6%	-1.6%
Worldline	**614.8**	**579.8**	**+6.0%**	**117.2**	**105.7**	**19.1%**	**18.2%**

* At constant scope and June YTD 2016 average exchange rates

A.1.4.1 Merchant Services & Terminals

In € million	Merchant Services & Terminals		
	H1 2016	H1 2015*	% Growth
Revenue	210.1	192.0	+9.4%
OMDA	45.1	34.0	
% OMDA	21.5%	17.7%	+3.8 pt

* At constant scope and June YTD 2016 average exchange rates

Merchant Services & Terminals revenue stood at **€210.1 million**, growing by €+18.1 million or **+9.4%** compared to the first semester of last year.

- Growth in *Commercial acquiring* revenue resulted primarily from increase in transaction volumes (+7%) as well as from a positive price / volume mix effect.
- Revenue in *Payment Terminals* increased double-digit thanks to a very good performance in International sales and in the Netherlands, while Germany continued on its good momentum.
- *Private Label cards & Loyalty services* grew thanks to higher Digital Self-Service Kiosks revenue and higher activity on the Fuel Genie Card Scheme in the UK.
- In *Online services*, revenue for *Acceptance & e-payment services* slightly increased while e-Commerce services decreased due less project activity compared with the first half of 2015.

Merchant Services & Terminals OMDA was up by €+11.2 million in H1 2016 compared to the first semester of 2015 and reached **€ 45.1 million** or **21.5%** of revenue (**+380 basis points** year-on-year). Key reasons for this increase were:

- Volume growth and positive price / volume mix effect in transaction on both BCMC and International brands schemes in *Commercial Acquiring*;
- Margin recovery in the Merchant Network in the UK and productivity gain in Iberia in *Private Label Cards*

A.1.4.2 Financial Processing & Software Licensing

In € million	Financial Processing & Software Licensing		
	H1 2016	**H1 2015***	**% Growth**
Revenue	208.1	198.9	+4.6%
OMDA	50.8	48.3	
% OMDA	24.4%	24.3%	+0.1 pt

* At constant scope and June YTD 2016 average exchange rates

Financial Processing & Software Licensing revenue was € 208.1 million and increased by €+9.2 million or +4.6% compared to H1 2015.

- Main growth driver was *Acquiring processing*, thanks to volume growth and the ramp-up of the terminal base under management in India.
- Revenue increase in *Issuing processing* was driven by a strong activity in Authentication services in France, Belgium and Germany (ACS, 3D secure, Trusted Authentication) and in e-Wallets. Good volume growth in core issuing was also recorded, notably in Fraud services in Belgium and in Germany, more than compensating the effect of usual price decreases.
- Sales in *Payment Software Licensing* grew thanks to good trends in APAC with higher managed card services and project-based activity, and to expansion in Europe.
- Despite higher volumes notably in OBeP, revenue in *Online banking* was stable due to an unfavorable 2015 comparison basis.

Financial Processing & Software Licensing kept a satisfactory OMDA level of **24.4%** in H1 2016 **at € 50.8 million** (**+10 basis points** compared to H1 2015) benefitting from growth in *Payment Software Licensing* and volume increase for *Acquiring* and *Issuing Processing business* divisions, thereby successfully absorbing specific investments made to reinforce infrastructure security and robustness as well as customary price concessions granted end of 2015 in the context of renewal of some large and long-term processing contracts.

A.1.4.3 Mobility & e-Transactional services

In € million	Mobility & e-Transactional Services		
	H1 2016	**H1 2015***	**% Growth**
Revenue	196.6	188.8	+4.1%
OMDA	30.9	32.7	
% OMDA	15.7%	17.3%	-1.6 pt

* At constant scope and June YTD 2016 average exchange rates

Revenue in **Mobility & e-Transactional Services** reached € 196.6 million, up +4.1% despite the impact of the termination of the VOSA contract in the UK public sector, which occurred at end of Q3 2015 and for which a revenue of €+17.8 million (at current exchange rates) was recorded in H1 2015. Excluding the VOSA contract, the growth of MeTS would have been 14.9% in H1 2016.

- Revenue in *e-Consumer & Mobility* grew double-digit driven by *Contact & Consumer Cloud* activities in France thanks to a new contract with a major e-commerce site and by increased revenue with Teleshopping.

- Sales of *e-Ticketing solutions* grew thanks to new revenue from major digital transformation in the UK rail industry and to the rollout of the new Onboard Ticketing solution MTIS, across major UK Transport companies. These favorable trends more than compensated some end of contracts also in the UK. The growth was also strong in Latin America notably on Cordoba and Tucuman contracts.

- *e-Government Collection* revenue was impacted by the effect of the end of Vosa contract aforementioned. Excluding this negative effect, the trend was however very good, with a substantial growth in France on various public sector projects and in Luxembourg. As anticipated and communicated in 2015, the French "RADAR" contract (with ANTAI) stopped on June 8, 2016. The loss of revenues on the last three weeks of the semester was compensated by revenue from the reversibility works performed in the first five months. Growth was also strong in Argentina (Farmalink, Salta) and in Austria.

Mobility & e-Transactional Services OMDA reached **€ 30.9 million** or **15.7%** of revenue, decreasing by **-160 basis points** (€-1.8 million). The profitability of the Global Business Line was temporarily impacted, as revenue from a mature UK contract, was substituted by new business consisting of project activities and ramping-up volumes.

A.1.5 Performance by geography

In € million	Revenue		
	H1 2016	**H1 2015***	**% of total**
France	222.9	203.5	36.3%
Benelux	192.7	172.9	31.4%
Germany / CEE	65.8	62.0	10.7%
UK	64.7	79.3	10.5%
LATAM / Iberia	35.0	31.5	5.7%
Asia	33.7	30.7	5.5%
Worldline	**614.8**	**579.8**	**100.0%**

* At constant scope and June YTD 2016 average exchange rates

France posted revenue of **€ 222.9 million**, increasing by **+9.6%** compared to H1 2015, with contrasted evolutions between the 3 Global Business Lines:

- Most of the growth came from Mobility & e-Transactional Services, thanks notably to e-Government Collection and Contact & Consumer Cloud services;
- Financial Processing & Licensing benefited from a solid growth in Acquiring processing;
- Merchant Services & Terminals was impacted by less projects in e-Commerce;

Benelux had revenue of € 192.7 million in H1, up +11.5%. This growth is the result of the following:

- Merchant Services & Terminals grew by thanks to a strong increase of transaction volumes and positive price impacts in Commercial Acquiring, as well as strong sales of Payment Terminals, in particular to the newly developed network of resellers;
- Steady organic growth in transaction volumes and growth in issuing related customer care volumes (like charge-back handling, fraud handling, …)

In **Germany and CEE**, revenue amounted to € 65.8 million in H1 2016, representing a growth of +6.1%. A robust growth in Financial Processing & Software Licensing (which represents more than 75% of the business) was accelerated by a double digit growth in Mobility & e-Transactional Services and by a very good performance of sales of Payment Terminals (growth over 40%).

UK revenue was € 64.7 million during the first half, down by €-18.5% or €-14.6 million, mainly due to the end of the VOSA contract on which revenue was recorded in H1 2015 for € 17.8 million (at current exchange rate). Excluding the effect of that contract termination, sales rose by +5.1% mainly thanks to growth in e-Ticketing.

Latam Iberia had a revenue of € 35.0 million, representing a growth of +11.2% organically, concentrated in the **Latin America** countries (double digit growth in Argentina and Chile), while **Iberia** decreased by -2.7%, mainly in e-Government services.

Finally, the **Asia** region posted a +9.8% revenue growth year-on-year, reaching € 33.7 million during the first half of 2016, driven notably by acquiring and processing activities in India.

A.1.6 Portfolio

A.1.6.1 Main H1 2016 signatures and achievements

Commercial activity was very good during the first six months of year, particularly in terms of new customers gained and new solutions sold to existing customers. Main achievements per Global Business Lines are presented thereafter.

Merchant Services & Terminals

In *Commercial acquiring*, Worldline announced a specific pricing grid for low value transactions (from 1 to 5 euros) on the local Belgium debit scheme BCMC, in order to further foster the card payment penetration and increase future transaction volumes.

Regarding *Private Label Cards Services*, contracts were successfully renewed for Business Account Services in the UK with Cineworld and Whitbread Plc (Premier Inn), as well as for fuel card services in Spain and Belgium.

Two significant internet payment acceptance contracts were signed with French governmental bodies

Last, early July, Worldline and the fintech start-up SnapSwap set up a partnership to support the mobile money messenger application Gloneta. Worldline will provide secure card payments services including advanced fraud management, to ensure the usage of the Gloneta application, which will provide instant cross-currency transactions based on Blockchain technology

Financial Processing & Software Licensing

Regarding mobile payment, significant achievements include in particular :

- The certification received by Visa to run in-house its Cloud-based Payments solution, enabling issuers to provide their clients with Visa payWave on their Android mobile NFC phones with embedded HCE (Host Card Emulation) technology. In parallel, Worldline will support the deployment of that technology for 4 French banks; and
- The partnership concluded with Alipay to offer the German retail industry and its network Alipay acceptance capabilities.

The Global Business Line successfully entered the UK financial processing market with a first deal to provide digital banking platform services to a UK nationwide financial institution as the basis for their digital transformation

Several material renewals were also signed, in particular in Belgium, in Germany and in Poland.

Mobility & e-Transactional Services

A new contract was signed with a leading French bank for the provision of the bank omni-channel Cloud Contact solution: Worldline will provide a solution in the cloud including voice, chat, email and video as well as a cutting edge semantic search service, allowing real time access to various banking services including payment services.

Regarding IoT (Internet of Things) and e-Transactional services:

- The Company has won various contracts in Germany and in Austria with Meter Data Management providers to deploy the Worldline Energy Security Suite, allowing energy companies to operate secure and legally compliant communications for smart metering and using technologies developed for electronic payment systems.
- The current B/S/H "Home Connect" program has been extended to two new strategical geographies on an enlarged scope in order to connect tens of millions of B/S/H appliances.
- The Connected Industry Solution contract with Siemens, which allows Siemens to connect more than several hundreds of thousands of machines throughout the world and remotely maintain a large variety of systems, was renewed for another 3 years (through Atos)

Last, a significant renewal was signed with a major French national public payment agency.

A.1.6.2 Full backlog

The **full backlog** at the end of June 2016 amounted to **€ 1.8 billion**, stable at **1.5 years of revenue**.

A.1.7 Human Resources

A.1.7.1 Headcount evolution

At the end of H1 2016 Worldline employed 7,340 employees representing a decrease of -14 employees compared with a December 2015 closing.

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

Headcount movements in H1 of 2016 by nature and geography

Headcount	Opening JAN-16	Hiring	Leavers	Dismiss / Restruc	Other	Closing JUN -16	Changes	%
France	**2 727**	+68	-59	-9	-21	**2 706**	-21	-0.8%
Benelux	**1 117**	+69	-25	-5	-1	**1 155**	+38	+3.4%
Germany / CEE	**815**	+28	-9	-2	-8	**824**	+9	+1.1%
Asia	**424**	+31	-24	-2	-18	**411**	-13	-3.1%
India	**366**	+73	-22	-3	-4	**410**	+44	+12.0%
LATAM / Iberia	**729**	+36	-24	-29	-1	**711**	-18	-2.5%
UK	**576**	+18	-25	-25	-18	**526**	-50	-8.7%
Direct	**6 754**	+323	-188	-75	-71	**6 743**	-11	-0.2%
Indirect	**600**	+40	-25	-2	-16	**597**	-3	**-0.5%**
Total (D+I)	**7 354**	+363	-213	-77	-87	**7 340**	-14	**-0.2%**

The Direct hirings included 77% of juniors aged 35 or younger (among which 58% were 30 or younger).

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

Direct headcount evolution compared with the opening:

France:

Worldline France staff decreased by **-21** employees. Worldline France recruited 68 employees over the period (79% juniors aged 35 or younger). New recruits were for half of them allocated to the projects in the business line "Mobility & eTransactional Services" and more specifically "Connected Living", the other half was aimed at replacing the leavers in Technical Operations and other business teams. At the same time, 89 employees left the company and decision was taken not to replace entirely the leavers in the context of the ramp down of the RADAR contract.

Benelux:
Worldline Benelux staff recruited 69 direct employees (75 % were juniors aged 35 or younger). 25 employees resigned, 6 employees were dismissed or left for other reasons. As a result, Worldline Benelux staff increased by **+38** people.

Germany & Central and Eastern Europe:
Worldline Germany & Central and Eastern Europe direct staff increased by **+9** employees. 93 % of the 28 new joiners were juniors aged 35 or younger. 9 employees resigned, 10 employees left for other reasons (retirement/dismissal/end of temporary contract).

Asia (-13 headcount)
Worldline Asia's headcount staff recruited 31 direct employees, while 44 employees left the company (24 resignations, 2 dismissals, 18 ends of temporary contracts).

India:
Worldline India direct staff increased by **+44** employees, 86 % were juniors aged 35 or younger.

LATAM & Iberia (-18 headcount)
Worldline LATAM & Iberia hired 36 direct people. On the other hand 54 employees left the company (24 resignations, 29 dismissals, 1 left for other reasons).

UK:
Worldline UK direct staff decreased by **-50** employees which represents 18 new hires, 25 resignations, 25 dismissals in the context of a reorganization of the teams in the rail activities.

Indirect headcount evolution compared with the opening:

Indirect (**-3 headcounts**):

All hiring of indirect staff (40) are in line with the replacements of leavers. 25 employees resigned, 2 were dismissed, 16 left for other reasons (retirement, decease, agreed terminations of contracts).

A.1.7.2 Attrition

Country	Attrition
France	-5.2%
Benelux	-5.3%
Germany / CEE	-2.6%
Asia	-13.6%
India	-13.6%
LATAM / Iberia	-8.0%
UK	-10.9%
Direct	**-6.7%**
Indirect	**-10.1%**
Total (D+I)	**-7.0%**

A.1.7.3 External subcontractors

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

The number of external subcontractors (including onshore and offshore resources) decreased from 574 FTE (full time equivalent) at the end of 2015 to reach 550 FTE at the end of H1 - 2016.

A.2 2016 objectives

Taking into consideration the termination of the automated traffic offence management system contract in France (the "Radar" contract) that occurred at the beginning of June 2016, the Group confirms all the objectives for 2016 and upgrades its guidance on revenue growth.

These objectives below do not include any contribution from Equens, PaySquare and KB and will be updated after the closing of these transactions to take into consideration their contributions after closing.

Revenue
The Group expects to achieve organic growth of its revenue, at constant scope and exchange rates, of **above +3%.**

OMDA
The Group has the objective to increase the OMDA margin by circa **+80 basis points** compared to 2015.

Free cash flow
The Group has the ambition to generate free cash flow of **between € 135 million and € 140 million**, including the exceptional cash-out linked to the acquisition costs (c. € 12 million) related to Equens.

A.3 Financial review

A.3.1 Income statement

The Group reported a net income (attributable to owners of the parent) of € 92.1 million for the half year 2016 which represented 15.0 % of Group revenues of the period. The normalized net income before unusual and infrequent items (net of tax) for the period was € 62.0 million, representing 10.1 % of revenues.

A.3.1.1 Operating Margin

(In € million)	6 months ended 30 June 2016	% Margin	6 months ended 30 June 2015 (*)	% Margin
Operating margin	**91.5**	**14.9%**	**79.4**	**13.3%**
Other operating income/(expenses)	36.3		(11.0)	
Operating income	**127.8**	**20.8%**	**68.4**	**11.5%**
Net financial income/(expenses)	(3.9)		(0.7)	
Tax charge	(31.8)		(19.0)	
Net income – Attributable to owners of the parent	**92.1**	**15.0%**	**48.7**	**8.2%**
Normalized net income – Attributable to owners of the parent (**)	**62.0**	**10.1%**	**56.3**	**9.5%**

(*) 30 June 2015 adjusted to reflect change in presentation disclosed in Note C.4.6.2 "Accounting Rules and policies"
(**) Defined hereafter.

A.3.1.2 Operating margin before depreciation and amortization

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

(In € million)	6 months ended 30 June 2016	6 months ended 30 June 2015 (*)	Variation
Operating margin	**91.5**	**79.4**	**12.1**
+ Depreciation of fixed assets	25.1	24.7	0.4
+ Net book value of assets sold/written off	0.6	0.3	0.3
+/- Net charge/(release) of pension provisions	1.7	1.9	(0.2)
+/- Net charge/(release) of provisions	(1.6)	2.4	(4.0)
OMDA	**117.2**	**108.7**	**8.5**

(*) 30 June 2015 adjusted to reflect change in presentation disclosed in Note C.4.6.2 "Accounting Rules and policies"

Change in free cash flow and operating margin new definition

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

As such, Group free cash flow excludes proceed from equity based compensation and the amortization cost of equity based compensation plans is excluded from the "operating margin" and presented in "other operating income and expenses". This change of presentation has been applied retroactively to all periods presented and as a consequence of this reclassification, the first semester of 2015 "operating margin" has been increased by € 1.3 million.

A.3.1.3 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual and infrequent. They represent a net income of € 36.3 million for the six month period ended June 2016. The following table presents this amount by nature:

(In € million)	6 months ended 30 June 2016	6 months ended 30 June 2015 (*)
Staff reorganization	(2.8)	(4.2)
Rationalization and associated costs	(2.0)	(3.3)
Integration and acquisition costs	(2.8)	-
Customer relationships and patents amortization	(1.7)	(1.7)
Other items	45.6	(1.8)
Total	**36.3**	**(11.0)**

(*) 30 June 2015 adjusted to reflect change in presentation disclosed in Note C.4.6.2 "Accounting Rules and policies"

Staff reorganization expenses of € 2.8 million decreased by 1.4 million compared to the first semester of 2015 and corresponded to the restructuring costs induced by the adaptation of the organization mainly in the United Kingdom, France and Spain.

The € 2.0 million of **rationalization and associated costs** resulted mainly from external costs linked to the continuation of the TEAM program and to the reorganization of office premises in France and Belgium. Those costs have decreased by 1.3 million compared to the first semester of 2015.

Integration and acquisition costs reached € 2.8 million and corresponded to the costs related to the execution of the Equens and Paysquare transactions.

The first semester of 2016 customer relationships amortization of € 1.7 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 € 45.6 million of **other items** mainly consisted of:

- The gain on the Visa share disposal for € 51.2 million (cf. Note 1 in § C.4.7 "Notes of the consolidated financial statements");
- The charge of equity based compensation (IFRS 2) for € -3.4 million;
- Other non recurring costs for € -2.2 million.

A.3.1.4 Net financial expenses

Net financial expense amounted to € 3.9 million for the period and was composed of a net cost of financial debt of € 0.1 million and non-operational financial costs of € 3.8 million.

The net cost of financial debt amounted to € 0.1 million as of June 2016 compared to € 0.4 million in first semester of 2015. It consisted mainly in financial expenses for € 0.4 million on the € 300 million Revolving Credit Facility (RCF) and interest income on the cash balances (Cf. § C.3.2.1 Financing Policy).

The other financial expenses amounted to € 3.8 million during the period compared to € 0.3 million in June 2015. In the first half year 2016, these costs were mainly composed of foreign exchange losses for € 2.7 million and pension financial costs for € 0.9 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets on funded plans.

A.3.1.5 Corporate tax

The tax charge as of end of June 2016 was € 31.8 million with a profit before tax of € 123.9 million. The annualized Effective Tax Rate (ETR) was 25.5%.

A.3.1.6 Normalized net income

The normalized net income excluding unusual and infrequent items (net of tax) is € 62.0 million.

(In € million)	**6 months ended 30 June 2016**	**6 months ended 30 June 2015 (*)**
Net income - Attributable to owners of the parent	**92.1**	**48.7**
Other operating income and expenses	36.3	(11.0)
Tax impact on unusual items	(6.2)	3.4
Total unusual items – Net of tax	**30.1**	**(7.6)**
Normalized net income - Attributable to owners of the parent	**62.0**	**56.3**

(*) 30 June 2015 adjusted to reflect change in presentation disclosed in Note C.4.6.2 "Accounting Rules and policies"

A.3.1.7 Half year Earning Per Share

The number of shares as at January 1, 2016 was 131,926,588. The weighted average number of shares amounts to 132,008,153 for the period. As of end of June 2016, potential dilutive instruments comprised stock subscription (equivalent to 398,519 options).

(In € million)	6 months ended 30 June 2016	% Margin	6 months ended 30 June 2015 (*)	% Margin
Net income [a]	**92.1**	**15.0%**	**48.7**	**8.2%**
Normalized net income [b]	**62.0**	**10.1%**	**56.3**	**9.5%**
Average number of shares [c]	132,008,153		131,926,588	
Impact of dilutive instruments	398,519		-	
Diluted average number of shares [d]	132,406,672		131,926,588	
(In EUR)				
Basic EPS [a] / [c]	**0.70**		**0.37**	
Diluted EPS [a] / [d]	**0.70**		**0.37**	
Normalized basic EPS [b] / [c]	**0.47**		**0.43**	
Normalized diluted EPS [b] / [d]	**0.47**		**0.43**	

(*) 30 June 2015 adjusted to reflect change in presentation disclosed in Note 2.6.2 "Accounting Rules and policies"

A.3.2 Cash Flow

(In € million)	6 months ended 30 June 2016	6 months ended 30 juin 2015
Operating Margin before Depreciation and Amortization (OMDA)	**117.2**	**108.7**
Capital expenditures	(40.8)	(32.8)
Change in working capital requirement	24.6	10.7
Cash from operation (CFO)	**101.0**	**86.6**
Taxes paid	(17.6)	(14.5)
Net cost of financial debt paid	(0.1)	(0.4)
Reorganization in other operating income	(3.5)	(4.1)
Rationalization & associated costs in other operating income	(1.8)	(2.4)
Integration and acquisition costs	(0.7)	-
Net financial investments (*)	(0.9)	(1.2)
Other changes (**)	(5.3)	0.2
Free Cash Flow	**71.2**	**64.2**
Capital increase/(decrease)	4.0	-
Proceed from the disposal of the Visa Share	35.6	-
Change in net cash/(debt)	**110.8**	**64.2**
Opening net cash/(debt)	**323.3**	**203.1**
Change in net cash/(debt)	110.8	64.2
Foreign exchange rate fluctuation on net cash/(debt)	0.8	(2.8)
Closing net cash/(debt)	**434.9**	**264.5**

(*) Net Long term financial investments

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

Free cash flow represented by the change in net cash or net debt, excluding equity changes, dividends paid to shareholders, selling of Visa Share, impact of foreign exchange rate fluctuation on opening net cash balance, and net acquisitions and disposals, reached € 71.2 million compared to € 64.2 million in the first semester 2015 (+ 10.9%).

Cash From Operations (CFO) amounted to € 101.0 million and increased by € 14.4 million compared to last year, including the following items:

- OMDA (€+8.5 million),
- Higher capital expenditures (€ -8.0 million),
- Improvement in Change in working capital requirement (€+13.9 million).

OMDA of € 117.2 million, representing an increase of € +8.5 million compared to June 2015, reached 19.1% of revenues against 18.3% of revenues in June 2015.

Capital expenditures amounted to € 40.8 million or 6.6% of revenue. The part related to investment in software platforms through capitalized costs, in connection with the modernization of proprietary technological platforms represented € 19.2 million compared to 18.5 million in the first semester 2015.

The positive **change in working capital requirement** amounted to € 24.6 mainly due to the increase in DPO as a result of negotiations with various vendors. The DSO ratio reached 39 days at the end of June 2016, while the DPO was 86 days as of June 2016.

Cash out related to **taxes paid** reached € 17.6 million increasing by € 3.1 million compared to June 2015 (€ 14.5 million). This change mainly came from advance payments regularization in Germany, France and Benelux.

The **cost of net debt** of € 0.1 million decreased by € 0.3 million compared to the first semester 2015.

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

Net financial investments amounted to € 0.9 million and related mainly to investments in the Argentinian Join Venture (UTE).

Other changes of € -5.3 million mainly corresponded to:

- Foreign exchange losses and other financials costs for € 2.7 million;
- Others non-recurring items for € 2.6 million.

As a result, the **Free Cash Flow (FCF**) generated as of June 2016 was € 71.2 million.

In June 2016, the € 4.0 million **Capital increase** corresponded to:

- The proceeds from the capital increase required for the Boost Employee Share Purchase Plan in February 2016 (€ 3.1 million);
- Issuance of common stock following employee's exercise of stock options issued in September 2014, for € 0.9 million.

The **Proceed from disposal of the Visa Share** of € 35.6 million related to the cash impact of the Visa share disposal in Belgium.

Foreign exchange rate fluctuation which is determined on debt or cash exposure by country had a positive impact on net cash of € 0.8 million.

A.3.2.1 Financing policy

Financing structure

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

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

Investment policy

Worldline has a policy to lease its office space and 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.

A.3.3 Parent company results

The profit before tax of the parent company amounts to € -3.8 million for the first half of 2016, compared with € -10.1 million for the first semester 2015.

A.4 Interim condensed consolidated financial statements

A.4.1 Interim condensed consolidated income statement

(In € million)		6 months ended 30 June 2016	6 months ended 30 June 2015 (*)	12 months ended 31 December 2015 (*)
Revenue	**Note 2**	**614.8**	**595.0**	**1,227.0**
Personnel expenses	Note 3	(254.3)	(249.3)	(501.1)
Operating expenses	Note 4	(269.0)	(266.3)	(548.0)
Operating margin		**91.5**	**79.4**	**177.9**
% of revenue		**14.9%**	**13.3%**	**14.5%**
Other operating income and expenses	Note 5	36.3	(11.0)	(29.8)
Operating income		**127.8**	**68.4**	**148.1**
% of revenue		**20.8%**	**11.5%**	**12.1%**
Financial expenses		(5.5)	(6.2)	(9.5)
Financial income		1.5	5.5	3.6
Net financial income	Note 6	(3.9)	(0.7)	(5.9)
Net income before tax		**123.9**	**67.7**	**142.2**
Tax charge	Note 7	(31.8)	(19.0)	(38.8)
Net income		**92.1**	**48.7**	**103.4**
Of which:				
- attributable to owners of the parent		**92.1**	**48.7**	**103.4**

(in € and number of shares)				
Net income - Attributable to owners of the parent				
Weighted average number of shares		132,008,153	131,926,588	131,926,588
Basic earnings per share	**Note 8**	**0.70**	**0.37**	**0.78**
Diluted weighted average number of shares		132,406,672	131,926,588	132,046,056
Diluted earnings per share	**Note 8**	**0.70**	**0.37**	**0.78**

(*) 30 June 2015 & 31 december 2015 adjusted to reflect change in presentation disclosed in Note C.4.6.2 "Accounting Rules and policies"

A.4.2 Interim condensed consolidated statement of comprehensive income

(In € million)		6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015
Net income		**92.1**	**48.7**	**103.4**
Other comprehensive income				
- to be reclassified subsequently to profit or loss		**(52.2)**	**7.4**	**45.9**
Cash flow hedging		0.1		
Change in fair value of available for sale financial assets	Note 11	(45.2)	-	44.9
Exchange differences on translation of foreign operations		(7.2)	7.4	1.2
Deferred tax on items recyclable recognized directly on equity	Note 11	0.2		(0.2)
- not reclassified to profit or loss (non-recyclable):		**(14.1)**	**4.4**	**9.6**
Actuarial gains and losses generated in the period on defined benefit plan		(19.9)	5.8	13.7
Deferred tax on items non-recyclable recognized directly		5.8	(1.4)	(4.1)
Total other comprehensive income		**(66.3)**	**11.8**	**55.5**
Total comprehensive income for the period		**25.8**	**60.5**	**158.9**
Of which:				
- attributable to owners of the parent		**25.8**	**60.5**	**158.9**

A.4.3 Interim condensed consolidated statements of financial position

(In € million) ASSETS		30 June 2016	30 June 2015	31 December 2015
Goodwill	Note 9	374.9	381.5	380.1
Intangible assets	Note 10	130.7	116.5	123.7
Tangible assets		68.9	67.0	66.2
Non-current financial assets	Note 11	23.8	11.4	56.4
Deferred tax assets		31.8	52.8	45.0
Total non-current assets		**630.1**	**629.2**	**671.4**
Trade accounts and notes receivables	Note 12	239.4	253.4	242.6
Current taxes		2.2	3.2	4.4
Other current assets	Note 13	96.0	82.4	77.0
Current financial instruments		0.3	-	-
Cash and cash equivalents	Note 14	456.9	286.4	353.3
Total current assets		**794.9**	**625.4**	**677.3**
Total assets		**1,425.0**	**1,254.6**	**1,348.7**

(In € million) LIABILITIES AND SHAREHOLDERS' EQUITY		30 June 2016	30 June 2015	31 December 2015
Common stock		89.9	89.7	89.7
Additional paid-in capital		245.3	241.5	241.5
Consolidated retained earnings		428.0	331.0	380.3
Translation adjustments		(33.4)	(20.0)	(26.2)
Net income attributable to the owners of the parent		92.1	48.7	103.4
Equity attributable to the owners of the parent		821.9	690.9	788.7
Total shareholders' equity		**821.9**	**690.9**	**788.7**
Provisions for pensions and similar benefits	Note 16	97.3	83.1	79.5
Non-current provisions		4.4	4.9	4.7
Borrowings		1.7	1.8	1.5
Deferred tax liabilities		5.0	9.0	7.2
Other non-current liabilities		0.4	0.4	0.4
Total non-current liabilities		**108.7**	**99.2**	**93.3**
Trade accounts and notes payables	Note 17	230.5	204.5	189.0
Current taxes		29.1	27.7	31.8
Current provisions		2.9	8.8	5.4
Current portion of borrowings		20.4	20.1	28.5
Other current liabilities	Note 18	211.6	203.4	212.0
Total current liabilities		**494.4**	**464.5**	**466.7**
Total liabilities and shareholders' equity		**1,425.0**	**1,254.6**	**1,348.7**

worldline e-payment services

A.4.4 Interim condensed consolidated cash flow statement

(In € million)		6 months ended 30 June 2016	6 months ended 30 June 2015	12 months ended 31 December 2015
Profit before tax		**123.9**	**67.7**	**142.2**
Depreciation of assets	Note 4	25.1	24.7	50.8
Net charge / (release) to operating provisions		0.1	4.4	5.8
Net charge / (release) to financial provisions		0.9	0.9	1.8
Net charge / (release) to other operating provisions		1.6	0.9	7.4
Customer relationships & Patent amortization		1.7	1.7	3.5
Losses / (gains) on disposals of fixed assets		(50.7)	-	0.6
Net charge for equity-based compensation		3.4	1.3	3.0
Losses / (gains) on financial instruments		(0.2)	-	-
Net cost of financial debt	Note 6	0.1	0.4	1.4
Cash from operating activities before change in working capital requirement, financial interest and taxes		**105.9**	**102.0**	**216.6**
Taxes paid		(17.6)	(14.5)	(29.9)
Change in working capital requirement		24.6	10.7	11.9
Net cash from / (used in) operating activities		**112.9**	**98.2**	**198.6**
Payment for tangible and intangible assets		(40.8)	(32.8)	(67.0)
Proceeds from disposals of tangible and intangible assets		-	0.5	0.1
Net operating investments		**(40.7)**	**(32.3)**	**(66.9)**
Amounts paid for acquisitions and long-term investments		(1.1)	(1.3)	(2.0)
Proceeds from disposals of financial investments		35.8	0.1	0.1
Net long-term investments		**34.7**	**(1.2)**	**(1.9)**
Net cash from / (used in) investing activities		**(6.0)**	**(33.5)**	**(68.7)**
Common stock issues on the exercise of equity-based compensation		0.9	-	
Capital increase subscribed by non-controlling interests		3.1	-	
Purchase of shares		-	-	(2.4)
New borrowings		0.2	0.3	-
New finance lease		0.1	-	0.1
Repayment of long and medium-term borrowings		(0.1)	(0.4)	(0.9)
Net cost of financial debt paid		(0.1)	(0.4)	(1.4)
Other flows related to financing activities		-	-	(0.1)
Net cash from / (used in) financing activities		**4.1**	**(0.5)**	**(4.6)**
Increase / (decrease) in net cash and cash equivalents		**111.0**	**64.2**	**125.3**
Opening net cash and cash equivalents		**325.2**	**205.6**	**205.6**
Increase / (decrease) in net cash and cash equivalents		111.0	64.2	125.3
Impact of exchange rate fluctuations on cash and cash equivalents		0.7	(2.8)	(5.7)
Closing net cash and cash equivalents	**Note 14**	**436.9**	**267.0**	**325.2**

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

(In € million)	Number of shares at period-end (thousands)	Common Stock	Additional paid-in capital	Retained earnings: Retained earnings	Retained earnings: Business combination impact	Translation adjustments	Net income	Equity attributable to the owners of the parent	Total shareholders' equity
At January 1st, 2015	**131,926**	**89.7**	**241.5**	**425.7**	**(200.8)**	**(27.4)**	**100.4**	**629.1**	**629.1**
* Appropriation of prior period net income				100.4			(100.4)	-	-
* Equity-based compensation				1.3				1.3	1.3
Transactions with owners	-	-	-	101.7	-	-	(100.4)	1.3	1.3
* Net income							48.7	48.7	48.7
* Other comprehensive income				4.4		7.4		11.8	11.8
Total comprehensive income for the period				4.4		7.4	48.7	60.5	60.5
At June 30th, 2015	**131,926**	**89.7**	**241.5**	**531.8**	**(200.8)**	**(20.0)**	**48.7**	**690.9**	**690.9**
* Appropriation of prior period net income				1.7				1.7	1.7
* Other				(2.3)				(2.3)	(2.3)
Transactions with owners	-	-	-	(0.6)	-	-	-	(0.6)	(0.6)
* Net income							54.7	54.7	54.7
* Other comprehensive income				49.9		(6.2)		43.7	43.7
Total comprehensive income for the period				49.9	-	(6.2)	54.7	98.4	98.4
At December 31st, 2015	**131,926**	**89.7**	**241.5**	**581.1**	**(200.8)**	**(26.2)**	**103.4**	**788.7**	**788.7**
* Common stock issued	216	0.2	3.8					4.0	4.0
* Appropriation of prior period net income				103.4			(103.4)	-	-
* Equity-based compensation				3.4				3.4	3.4
Transactions with owners	216	0.2	3.8	106.8	-	-	(103.4)	7.4	7.4
* Net income							92.1	92.1	92.1
* Other comprehensive income				(59.1)		(7.2)		(66.3)	(66.3)
Total comprehensive income for the period				(59.1)	-	(7.2)	92.1	25.8	25.8
At June 30th, 2016	**132,142**	**89.9**	**245.3**	**628.8**	**(200.8)**	**(33.4)**	**92.1**	**821.9**	**821.9**

A.4.6 Appendices to the interim condensed consolidated financial statements

A.4.6.1 General information

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

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

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

These interim condensed consolidated financial statements were approved by the Board of Directors on July 25th, 2016.

A.4.6.2 Accounting rules and policies

Basis of preparation of interim condensed consolidated financial statements

The 2016 condensed interim consolidated financial statements have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union and of mandatory application as at January 1st, 2016.

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

The condensed interim consolidated financial statements for the six-month period ended June 30, 2016 have been prepared in accordance with IAS 34 - Interim Financial Reporting. As such these financial statements do not include all the information required for annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2015.

The accounting policies, presentation and methods of computation that have been followed in these interim consolidated financial statements are in line with those that were applied in the preparation of the December 31, 2015 financial statements and disclosed in the Group's 2015 Reference Document.

The new standards, interpretations or amendments whose application was mandatory for the Group effective for the fiscal year beginning January 1st, 2016 did not have a material impact on the condensed interim financial statements.

The Group has not early adopted any standard or interpretation not required to be applied in fiscal year 2016. The Group does not apply IFRS standards and interpretations that have not been yet approved by the European Union at the closing date.

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

Accounting estimates and judgments

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

Goodwill impairment tests

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

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

Such events and circumstances include but are not limited to:

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

Pensions and similar benefits

The re-measurement principle for pension liabilities and assets at interim periods is the following: actuarial re-measurements are only triggered if there are significant changes in the discount rate since December 31, 2015, and limited to the Group's most significant pension plans. For less significant plans or if there are no significant evolutions in discount rates, actuarial projections are used.

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

Corporate income tax

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

Change in free cash flow and operating margin new definition

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

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

This change of presentation has been applied retroactively to all periods presented and as a consequence of this reclassification, the first semester of 2015 and the full year 2015 "operating margin" have been increased respectively by € 1.3 million and € 3.0 million.

A.4.7 Notes to the consolidated financial statements

Note 1 Significant events of the semester

- Equens

The contemplated transaction between Worldline and Equens, announced on November 3, 2015, progressed during the first half of 2016 and received the formal support from all the stakeholders (clients, management teams, employees' representatives, business partners, etc.).
Regarding regulatory approvals, the project received a global clearance from the anti-trust authorities on April 20, 2016 and the closing of the transaction is now only pending the obtention of the authorizations from the Belgium National Bank and the Dutch National Bank, which are expected in the course of the summer of 2016.

The closing of that transaction is therefore expected during the third quarter of 2016 and is accordingly not reflected in the half-year 2016 financial statements of Worldline.

- Visa Share

Worldline Belgium was the owner of one share in Visa Europe, valued at its historical acquisition cost in its books (€ 10). In November 2015, Visa Inc. announced its intention to acquire Visa Europe. Worldline Belgium received a letter indicating that the share proceeds to be received would amount to € 44.9 million. As of December 31, 2015, the Visa Share was presented as shares "available for sale" and the difference between its net book value and its fair value impacted other comprehensive income for € 44.9 million.

The Visa share has been sold on June 21, 2016 for a total amount of € 51.2 million including € 35.6 million of cash, € 3.3 million of cash to be received in 3 years and € 12.3 million of preferred shares in Visa Inc. that will be convertible up to 12 years after closing.

On the first semester 2016, the change in fair value between December 31, 2015 and June 21, 2016 has been booked in other comprehensive income and the € 51.2 million recycled in the income statement – in other operating income - at this date.

The € 12.3 million of preferred shares have been classified as "available for sale" and their change in fair value as of June 30, 2016 (€ -0.2 million) have ben booked through other comprehensive income (including FX changes).

Note 2 Segment information by Global Business Line

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

The internal management reporting is designed 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, a part of the cost related to Global Structures has not been allocated by GBL. Regarding Group Assets, the shared assets not allocated by GBL primarily relate to shared infrastructure delivering mutualized services to those three GBL.

The geographical scope and the activities covered by each operating segment is the following:

Operating segments	Business divisions	Geographical areas
Merchant Services & Terminals	Commercial Acquiring , Private Label cards & Loyality Services, Online Services, Payment Terminals	Belgium, France, Germany, India, Luxembourg, Spain, The Netherlands and United Kingdom.
Financial Processing & Software Licensing	Issuing Processing, Acquiring Processing, Online Banking Services, Payment Software Licensing	Belgium, China, France, Germany, Hong Kong, India, Indonesia, Malaysia, Singapore, Spain, Taiwan and The Netherlands.
Mobility & e-Transactional Services	e-Government Collection, e-Ticketing, e-Consumer & Mobility	Argentina, Austria, Belgium, Chile, France, Germany, Spain, and United Kingdom

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

The operating segment information for the period was the following:

(In € million)	Merchant Services & Terminals	Financial processing & Software Licensing	Mobility & e-transactional services	**Total Group**
6 months ended 30 June 2016				
External revenue by Global Business Lines	**210.1**	**208.1**	**196.6**	**614.8**
% of Group revenue	34.2%	33.8%	32.0%	100.0%
6 months ended 30 June 2015				
External revenue by Global Business Lines	**193.5**	**200.5**	**201.0**	**595.0**
% of Group revenue	32.5%	33.7%	33.8%	100.0%

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

(In € million)	Merchant Services & Terminals	Financial processing & Software Licensing	Mobility & e-transactional services	Global structures	**Total Group**
6 months ended 30 June 2016					
Operating Margin before Depreciation and Amortization (OMDA)	**45.1**	**50.8**	**30.9**	**(9.6)**	**117.2**
% revenue	21.5%	24.4%	15.7%	-1.6%	19.1%
6 months ended 30 June 2015					
Operating Margin before Depreciation and Amortization (OMDA)	**33.9**	**48.7**	**35.4**	**(9.3)**	**108.7**
% revenue	17.5%	24.4%	17.6%	-1.6%	18.3%

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

(In € million)	6 months ended 30 June 2016	6 months ended 30 June 2015 (*)
Operating margin	**91.5**	**79.4**
+ Depreciation of fixed assets	25.1	24.7
+ Net book value of assets sold/written off	0.6	0.3
+/- Net charge/(release) of pension provisions	1.7	1.9
+/- Net charge/(release) of provisions	(1.6)	2.4
OMDA	**117.2**	**108.7**

(*) 30 June 2015 adjusted to reflect change in presentation disclosed in Note C.4.6.2 "Accounting Rules and policies"

The geographical segment information for the period was the following:

(In € million)	France	Benelux	Germany & CEE	UK	Latam & Iberia	Asia	**Total Group**
6 months ended 30 June 2016							
External revenue by geographical area	**222.9**	**192.7**	**65.8**	**64.7**	**35.0**	**33.7**	**614.8**
% of Group revenue	36.3%	31.3%	10.7%	10.5%	5.7%	5.5%	100.0%
6 months ended 30 June 2015							
External revenue by geographical area	**203.5**	**172.9**	**62.0**	**84.1**	**40.1**	**32.5**	**595.0**
% of Group revenue	34.2%	29.1%	10.4%	14.1%	6.7%	5.5%	100.0%

Note 3 Personnel expenses

(In € million)	6 months ended 30 June 2016	% Revenue	6 months ended 30 June 2015 (*)	% Revenue
Wages, salaries & social security charges	(249.0)	40.5%	(244.2)	41.0%
Tax, training, profit-sharing	(3.8)	0.6%	(3.2)	0.5%
Net (charge)/release to provisions for pensions and similar benefits	(1.5)	0.2%	(1.9)	0.3%
Total	**(254.3)**	**41.4%**	**(249.3)**	**41.9%**

(*) 30 June 2015 adjusted to reflect change in presentation disclosed in Note C.4.6.2 "Accounting Rules and policies"

Note 4 Non personnel operating expenses

(In € million)	6 months ended 30 June 2016	% Revenue	6 months ended 30 June 2015	% Revenue
Subcontracting costs direct	(120.0)	19.5%	(122.6)	20.6%
Hardware and software purchase	(20.9)	3.4%	(17.2)	2.9%
Maintenance costs	(14.0)	2.3%	(16.7)	2.8%
Rent & Lease expenses	(19.9)	3.2%	(20.6)	3.5%
Telecom costs	(18.8)	3.1%	(17.2)	2.9%
Travelling expenses	(5.7)	0.9%	(5.5)	0.9%
Company cars	(3.8)	0.6%	(3.9)	0.7%
Professional fees	(17.5)	2.8%	(16.7)	2.8%
Taxes & Similar expenses	(5.4)	0.9%	(5.7)	1.0%
Scheme fees	(8.6)	1.4%	(6.7)	1.1%
Others expenses	(26.3)	4.3%	(26.8)	4.5%
Subtotal expenses	**(261.1)**	**42.5%**	**(259.6)**	**43.6%**
Depreciation of assets	(25.1)	4.1%	(24.7)	4.2%
Net (charge)/release to provisions	1.4	-0.2%	(2.5)	0.4%
Gains/(Losses) on disposal of assets	(0.5)	0.1%	0.1	0.0%
Trade Receivables write-off	(3.8)	0.6%	(1.4)	0.2%
Capitalized Production	20.2	-3.3%	21.8	-3.7%
Subtotal other expenses	**(7.9)**	**1.3%**	**(6.7)**	**1.1%**
Total	**(269.0)**	**43.8%**	**(266.3)**	**44.8%**

Note 5 Other operating income and expenses

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

(In € million)	6 months ended 30 June 2016	6 months ended 30 June 2015 (*)
Staff reorganization	(2.8)	(4.2)
Rationalization and associated costs	(2.0)	(3.3)
Integration and acquisition costs	(2.8)	-
Customer relationships and patents amortization	(1.7)	(1.7)
Other items	45.6	(1.8)
Total	**36.3**	**(11.0)**

(*) 30 June 2015 adjusted to reflect change in presentation disclosed in Note C.4.6.2 "Accounting Rules and policies"

Staff reorganization expenses of € 2.8 million decreased by 1.4 million compared to the first semester of 2015 and corresponded to the restructuring costs induced by the adaptation of the organization mainly in the United Kingdom, France and Spain.

The € 2.0 million of rationalization and associated costs resulted mainly from external costs linked to the continuation of the TEAM program and to the reorganization of office premises in France and Belgium. Those costs have decreased by 1.3 million compared to the first semester of 2015.

Integration and acquisition costs reached € 2.8 million and corresponded to the costs related to the execution of the Equens and Paysquare transactions.
The first semester of 2016 customer relationships amortization of € 1.7 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 € 45.6 million of other items mainly consisted of:

- The gain on the Visa share disposal for € 51.2 million;
- The charge of equity based compensation (IFRS 2) for € -3.4 million;
- Other non recurring costs for € -2.2 million.

Employee Share Purchase Plan "Boost" 2015

A new Employee Share Purchase Plan called "Boost" 2015 was open to employees throughout the Group. Following the same pattern than the Boost 2014 plan, this new plan offered to eligible employees the same characteristics:
- Subscription price of shares including a 20% discount with a five-year lock-up period restriction;
- Attribution free shares for the first 20 subscribed shares.

As a consequence of the Boost 2015 plan, the Group issued 139 322 shares at a reference share price of € 23.46 (before the 20% discount application). As of 30 June 2016, the charge is amounting to € 0.4 million.

The cost related to Boost 2015 takes into account the effect of the five-year lock-up period restriction calculated based on the following parameters:
- Risk free interest rate: 0.3%
- Credit spread: 5.0%

Note 6 Net Financial Result

Net financial expense amounted to € 3.9 million for the period (compared to € 0.7 million in the same period in 2015) and was composed of:

- A net cost of financial debt of € 0.1 million (€ 0.4 million in the first semester 2015) ; and
- A non-operational financial cost of € 3.8 million.

Net cost of financial debt of € 0.1 million is made of:

- € -0.6 million of cost of gross debt of the Group's subsidiaries representing an average interest rate of 0.86%; and
- € 0.5 million of remuneration of gross cash of the Group's subsidiaries representing an average interest rate of 0.32%.

The other financial income / expenses were mainly composed of foreign exchange losses for € -2.7 million and pension financial costs for € -0.9 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for funded plans (cf. Note 16 «Pensions and similar benefits») .

Note 7 Income tax expenses

The tax charge for the six-month period ended June 30, 2016 was € 31.8 million with a profit before tax of € 123.9 million. This charge included differed tax asset for an amount of € 10.9 million. Excluding unusual items, ETR would have been 26.6%

Note 8 Earnings per Share

Basic and diluted earnings per share are reconciled in the table below. Potential dilutive instruments comprise stock options, which do not generate any restatement of net income used for the diluted EPS calculation. The average number of stock options not exercised in June 2016 amounted to 2.685.720 shares. As of end of June 2016, potential dilutive instruments comprised stock subscription (equivalent to 398.519 options).

(In € million and shares)	**6 months ended 30 June 2016**	**6 months ended 30 June 2015**
Net income - Attributable to owners of the parent [a]	**92.1**	**48.7**
Impact of dilutive instruments	-	-
Net income restated of dilutive instruments - Attributable to owners of the parent [b]	**92.1**	**48.7**
Average number of shares outstanding [c]	132,008,153	131,926,588
Impact of dilutive instruments [d]	398,519	-
Diluted average number of shares [e]=[c]+[d]	132,406,672	131,926,588
Earnings per share in EUR [a]/[c]	**0.70**	**0.37**
Diluted earnings per share in EUR [b]/[e]	0.70	0.37

Note 9 Goodwill

During the semester, the Group has not recorded any impairment for any CGUs as there was not any triggering event as of June 30, 2016.

As of June 2016, the increase of Goodwill carrying amount is related to exchange rate fluctuations.

Note 10 Intangible assets

(In € million)	Software & Licenses	Customer Relation-ships/ Patent	Other assets	Total
Gross value				
At January 1st, 2016	**209.8**	**31.2**	**27.2**	**268.2**
Additions	3.2	-	-	3.2
R&D capitalized	20.2	-	-	20.2
Disposals (*)	(5.0)	-	-	(5.0)
Exchange differences	(1.5)	(1.7)	-	(3.2)
Other	0.4	-	-	0.4
At June 30th, 2016	**227.1**	**29.5**	**27.2**	**283.8**
Accumulated depreciation				
At January 1st, 2016	**(96.3)**	**(25.2)**	**(23.0)**	**(144.5)**
Depreciation charge for the year	(13.7)	(1.7)	(0.2)	(15.6)
Disposals/reversals (*)	5.0	-	-	5.0
Exchange differences	0.5	1.5	-	2.0
At June 30th, 2016	**(104.5)**	**(25.4)**	**(23.2)**	**(153.1)**
Net value				
At January 1st, 2016	**113.5**	**6.0**	**4.2**	**123.7**
At June 30th, 2016	**122.6**	**4.1**	**4.0**	**130.7**

(*) Writte-off of fully depreciate assets

Development capitalized cost amounting to € 20.2 million are mainly related to the modernization of proprietary technological platforms for € 19.2 million.

Note 11 Non current financial Assets

(In € million)		30 June 2016	31 December 2015
Pension prepayments	Note 16	1.1	4.7
Fair value of non-consolidated investments net of impairment	Note 1	15.9	48.1
Other (*)		6.8	3.6
Total		**23.8**	**56.4**

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

Note 12 Trade accounts and notes receivable

(In € million)	30 June 2016	31 December 2015
Gross value	244.4	247.5
Provision for doubtful debt	(5.1)	(4.9)
Net asset value	**239.4**	**242.6**
Prepayments	(10.9)	(9.0)
Deferred income and upfront payments received	(47.7)	(47.7)
Net accounts receivable	**180.8**	**185.9**
Number of days sales outstanding (DSO)	**39**	**38**

Note 13 Other current assets

(In € million)		30 June 2016	31 December 2015
Inventories		17.3	13.8
State - VAT receivables		26.1	21.5
Prepaid expenses	Note 17	30.5	28.4
Other receivables & current assets		14.3	11.9
Advance payment		7.8	1.4
Total		**96.0**	**77.0**

Note 14 Cash and cash equivalents

(In € million)	30 June 2016	31 December 2015
Cash and cash equivalents	104.0	98.5
Current accounts with Atos entities - Assets	0.3	0.1
Money market funds	352.6	254.7
Total cash and cash equivalents	**456.9**	**353.3**
Overdrafts	(20.0)	(19.1)
Current accounts with Atos entities - Liabilities	-	(9.0)
Total overdrafts and equivalents	**(20.0)**	**(28.1)**
Total net cash and cash equivalents	**436.9**	**325.2**

Note 15 Shareholder equity

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

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

In May 2016, 52.610 new shares were created following the exercise of the stock-options plan from the September 2014 plan.

At the end of June 2016, the total of shares reached at 132,142,327 with a nominal value of € 0.68. Common stock was increased from € 89,710,079.84 to € 89,856,782.36.

Note 16 Pensions and similar benefits

Reference discount rates for the Eurozone have decreased significantly since December 31, 2015, therefore plan liabilities and plan assets for major plans in this region have been re-measured as at June 30, 2016.

	30 June 2016	31 December 2015
Euro zone (long duration plans)	1.65%	2.65%
Euro zone (other plans)	1.15%	2.05%
United Kingdom	3.05%	3.90%

This has led to an increase in the net balance sheet position (booked against other comprehensive income) of € 19.9 million. The net total amount recognized in the balance sheet in respect of pension plans and other long term employee benefits per June 30, 2016 is € 96.2 million.

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

(In € million)	**6 months ended 30 June 2016**	**6 months ended 30 June 2015**
Operating margin	(3.1)	(4.1)
Financial result	(0.9)	(1.0)
Total (expense)/profit	**(4.0)**	**(5.1)**

Note 17 Trade accounts and notes payable

(In € million)	30 June 2016	31 December 2015
Trade payables and notes payable	230.5	189.0
Trade payables and notes payable	**230.5**	**189.0**
Advance payments	(7.8)	(1.4)
Prepaid expenses	(30.5)	(28.4)
Net accounts payable	**192.2**	**159.2**
Number of days payable outstanding (DPO)	**86**	**63**

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

Note 18 Other current liabilities

(In € million)	30 June 2016	31 December 2015
Advances and down payments received on client orders	10.9	9.0
Employee-related liabilities	67.1	64.2
Social security and other employee welfare liabilities	33.7	36.0
VAT payable	41.0	41.5
Deferred income	38.8	40.0
Other operating liabilities	20.1	21.3
Total	**211.6**	**212.0**

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

Note 19 Related parties

The main transactions between the related entities are composed of:

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

These transactions are entered into at market conditions.

The related party transactions are detailed as follows:

(In € million)	6 months ended 30 June 2016	6 months ended 30 June 2015
Revenue	25.6	24.0
Operating income / expenses	(51.9)	(60.8)
Other operating expenses	(0.3)	(0.1)
Net cost of financial debt	(0.3)	-

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

(In € million)	30 June 2016	31 December 2015
Trade accounts and notes receivables	19.0	23.0
Other current assets	20.9	19.7
Current accounts & cash agreement - Assets	0.1	0.1
Trade accounts and notes payables	22.8	26.1
Other current liabilities	3.7	7.1
Current accounts & cash agreement with Atos entities - Liabilities	4.9	9.0

Note 20 Subsequent events

This is no subsequent event post 2016 half-year closing.