2017 annual results

Tuesday, February 20th 2018

Worldline

Disclaimer

- This document contains forward-looking statements that involve risks and uncertainties, including references, concerning the Group's expected growth and profitability in the future which may significantly impact the expected performance indicated in the forward-looking statements. These risks and uncertainties are linked to factors out of the control of the Company and not precisely estimated, such as market conditions or competitors behaviors. Any forward-looking statements made in this document are statements about Worldline’ beliefs and expectations and should be evaluated as such. Forward-looking statements include statements that may relate to Worldline’ plans, objectives, strategies, goals, future events, future revenues or synergies, or performance, and other information that is not historical information. 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 2016 Registration Document filed with the Autorité des Marchés Financiers (AMF) on April 28, 2017 under the registration number: R.17-032 and its update filed with the Autorité des Marchés Financiers (AMF) on August 3, 2017 under the registration number: D.17-0407-A01. Worldline does not undertake, and specifically disclaims, any obligation or responsibility to update or amend any of the information above except as otherwise required by law.

- Worldline consolidated statements for the year ended December 31, 2017, were approved by the Board of Directors on February 19, 2018. These financial statements have been audited.

- Revenue organic growth is presented at constant scope and exchange rates. Operating margin before amortization and depreciation (OMDA) is presented as defined in the 2016 Registration Document. 2018 objectives have been considered with exchange rates as of December 31, 2017.

- Global Business Lines include Merchant Services (in Argentina, Belgium, Brazil, Czech republic, France, Germany, India, Luxembourg, Malaysia, Poland, Spain, Sweden, The Netherlands, United Kingdom, USA), Financial Services (in Belgium, China, Estonia, Finland, France, Germany, Hong Kong, Indonesia, Italy, Latvia, Lithuania, Luxembourg, Malaysia, Singapore, Spain, Taiwan, The Netherlands and the United Kingdom.), and Mobility & e-Transactional Services (in Argentina, Austria, Belgium, Chile, China, France, Germany, Spain, The Netherlands and United Kingdom).

- This document does not contain or constitute an offer of Worldline’ shares for sale or an invitation or inducement to invest in Worldline’ shares in France, the United States of America or any other jurisdiction.

Worldline

Highlights

2017 annual results

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Gilles Grapinet

CEO Worldline

Tuesday, February 20th 2018

Worldline

A very solid year 2017

Very solid financial results well in line with all our objectives

Major **platform** and **portfolio development**

Record high level of commercial **opportunities**

Very **successful execution** of the equensWorldline **integration & synergy plan**

Successful closing and **very fast integration** of several **new acquisitions**

2017 key figures

€1593.9m
+4.0% organic
+6.3%in H2 2017

Revenue

€335.4m
21.0%
+240 bp

OMDA

€2.6bn
1.6 years
of revenue

Backlog

€176.0m
+28.9%
vs 2016

Free Cash Flow

€133.4m
+34.2% vs 2016
(excl 2016 gain on Visa share)

Net income

€105.5m

Net income
Group Share

Strong execution of our inorganic strategy in 2017

2016 Acquisitions

equens

- Optimized IT, operations, overheads, and associated costs to our standards
- Removed business and support overlaps
- Converging technical platforms
- Cross-sell resulting in reinforced pipeline

➢ **Upgrade of first phase of synergy target to €45m**

PaySquare | KB | SmartPay

- Platform consolidation as per plan
- Go to market and offers aligned

➢ **Beating the top line ambitions**

2017 Acquisitions

Digital River World Payments

- A key success factor in cross-boarder payment services
- New organization in place
- ➢ **>30 x-selling opportunities already identified**

First Data Baltics

- Process and IT deployed
- New organization in place
- **New large commercial opportunities already identified and qualified**

MRL Posnet

- Reuse of technology platform well on track
- ➢ **Revenue growth above local market trends**

diamis NEW!

Strongly complementary software offer for Instant Payments and ECB T2/T2S project

c.€330m Invested since 2016

Worldline

Unique and differentiating combination of strategic assets for leading the European consolidation in payments

Industrial scale

#1
PSP in Europe by revenue

#1
European card acquiring processor

#2
European account payment processor

#3
European non-bank acquirer

Large portfolio of innovative products

Unique pan-European track-record

- History of **value creative** deals with and for bank partners
- **Trusted long-term relationship** with **European banking** communities (France, Benelux, Germany)

Very significant financial firepower

>€2bn
Without capital increase

\+

Long-term industrial vision and shareholding stabilily

Ideal positioning to address in 2018
a very **active market** of M&A opportunities

Revenue

2017 annual results

Eric Heurtaux

CFO Worldline

Tuesday, February 20th 2018

Worldline

Technical reconciliations

Constant scope and exchange rate figures reconciliation

In € million	2016				2017	
	FY 2016 Statutory	Scope effect	Exchange rates effect	FY 2016*	FY 2017 Actuals	Var.
Revenue	1,309.1	+237.5	-13.8	1,532.9	1,593.9	4.0%
OMDA	258.7	+29.2	-2.7	285.3	335.4	17.6%
OMDA %	19.8%			18.6%	21.0%	+240 bp

** At constant scope and December 2017 YTD average exchange rates*

- **Scope effects** mainly correspond to:
  - The **acquisition** of Equens, Paysquare and KB Smartpay (first 9M of 2016), FDB (Q4 2016) , DRWP and MRL Posnet (Nov. and Dec. 2016) for a like-for-like comparison with FY 2017;
  - The **disposal** of the Cheque processing activity (« Cheque Service») from H2 2017

- **Exchange rates effects** reflect mostly the appreciation of the Euro versus the Argentinian Peso and the British Pound.

IFRS 15: « revenue from contracts with customers »

Impacts from the adoption of IFRS 15 on the 2017 financial statements:

Impact of IFRS 15 adoption	2017
Estimated revenue	c. -2.6%
Estimated OMDA rate	c.+60 bp
No impact on OMDA and Free Cash Flow amounts	-

Reminder - Presentation of assets and liabilities related to intermediation activities

(In € million)	As at December 31, 2017	As at December 31, 2016 (*)
Receivables linked to intermediation activities	171.7	112.6
Funds related to intermediation activities	145.0	137.0
Total assets linked to intermediation activities	**316.6**	**249.6**
Payables linked to intermediation activities	316.6	249.6
Total liabilities linked to intermediation activities	**316.6**	**249.6**

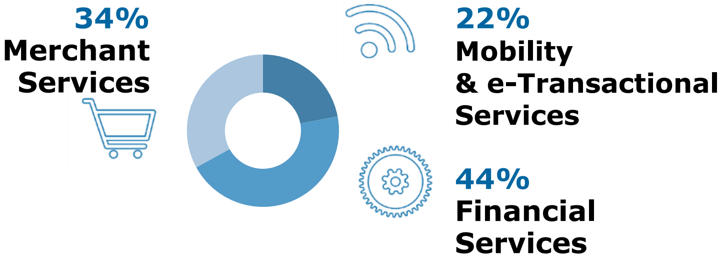
(*) 31 December 2016 adjusted to reflect change in presentation disclosed in Note "Accounting rules and policies"

2017 Financial performance overview

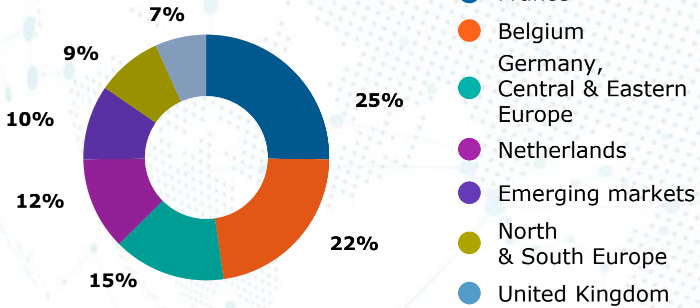
In € million	Revenue			OMDA		OMDA %	
	FY 2017	FY 2016*	% Growth	FY 2017	FY 2016*	FY 2017	FY 2016*
Merchant Services	535.5	508.0	+5.4%	112.3	113.5	21.0%	22.3%
Financial Services	708.3	665.5	+6.4%	202.1	144.9	28.5%	21.8%
Mobility & e-Transactional Services	350.0	359.3	-2.6%	43.6	49.5	12.5%	13.8%
Corporate Costs				-22.6	-22.6	-1.4%	-1.5%
Worldline	**1,593.9**	**1,532.9**	**+4.0%**	**335.4**	**285.3**	**21.0%**	**18.6%**

** At constant scope and December 2017 YTD average exchange rates*

Organic revenue growth:
+4.0% reported (+6.3% in H2 2017)



Rebalanced geographical footprint (in % of total revenue)



+240bp OMDA improvement above the initial 2017 target

Merchant Services

In € million	Merchant Services		
	FY 2017	FY 2016*	% Growth
Revenue	535.5	508.0	+5.4%
OMDA	112.3	113.5	
% OMDA	21.0%	22.3%	-1.4 pt

** At constant scope and December 2017 YTD average exchange rates*

Revenue: +5.4%

- Strong momentum in *Merchant Payment Services:*
  - Demonetization Act in **India** leading to higher volumes;
  - Positive business trends in Continental Europe, in particular in **Germany, Netherlands and Central Eastern Europe**.
- Slight growth in *Merchant Digital Services* thanks to **Private Label Cards** in Spain and **projects** in the UK.

OMDA: -140 bp

- **OMDA rate** impacted by the adaptation during 2016 of the pricing structure to retrocede the interchange fee reduction, as well as by commercial efforts to develop business in the faster growing geographies.

Financial Services

In € million	FY 2017	FY 2016*	% Growth
Revenue	708.3	665.5	+6.4%
OMDA	202.1	144.9	
% OMDA	28.5%	21.8%	+6.8 pt

Financial Services

* *At constant scope and December 2017 YTD average exchange rates*

Revenue: +6.4%

Growth in all 4 business lines, fueled by high project activities:

- *Issuing and Acquiring Processing* supported by **good volume growth combined with good project activity**;
- Activity in *Account Payments* benefitted from **higher SEPA transactions** in the Netherlands and in Germany;
- *Digital Banking* growth sustained by **project activities** (France, UK)
- Promising new projects such as **Instant Payments** and **Access to account** management platforms

OMDA: +680 bp

Strong improvement of OMDA thanks to:

- **Volume growth**
- Significant cost base savings from the **accelerated execution** of the equensWorldline **synergy plan**
- Favorable comparable basis from **one off costs incurred in 2016**

Mobility & e-Transactional services

In € million	FY 2017	FY 2016*	% Growth
	Mobility & e-Transactional Services		
Revenue	350.0	359.3	-2.6%
OMDA	43.6	49.5	
% OMDA	12.5%	13.8%	-1.3 pt

** At constant scope and December 2017 YTD average exchange rates*

Revenue: -2.6%

- **Very strong momentum in the three divisions**:
  - *e-Consumer & Mobility:* Good project activity in France and in Germany
  - *e-Ticketing*: temporary decline in the UK compensated by increased business in Latin America and in Germany
  - *Trusted Digitization*: good activity in France and in Germany
- **Reminder:** H1 2017 was the last semester where the reported growth of MeTS was impacted by the negative comparison effect arising from the termination of the RADAR contract. **Excluding this effect, the YTD growth rate of MeTS exceeded +7%**

OMDA: -130 bp

- Margin improvement in the UK, in Germany and in Latin America
- OMDA impacted by the end of a mature contract (RADAR), which was partly substituted by new business consisting of project activities and ramping-up volumes with a lower profitability at start.

Income statement

(In € million)	12 months ended 31 December 2017	12 months ended 31 December 2016
OMDA	**335.4**	**258.7**
Operating Margin	**253.1**	**196.6**
Staff reorganization	-4.9	-4.5
Rationalization and associated costs	-4.3	-4.5
Integration and acquisition costs	-25.6	-9.9
Equity based compensation	-7.9	-6.8
Customer relationships and patents amortization	-14.2	-6.1
Other items	-10.8	45.0
Operating income	**185.5**	**210.0**
Net financial expense	-8.1	-5.9
Income tax expense	-44.1	-53.7
Non controlling interests and associates	-27.8	-6.2
Net income - Group share	**105.5**	**144.2**

Key Observations

- **Staff reorganization, integration & associated costs:** mostly costs related to Equens and Paysquare integration and synergy plans
- **Increase in customer relationship & patents amortization charge** due to amortization of assets identified in the recently acquired companies
- **Other items** in 2016 consisted primarily in the gain on Visa share disposal for € 51.2m
- **2017 effective tax** rate was 24.9% (vs 26.3% in FY 2016)
- **Total net income (excl. 2016 profit on Visa share):** +34.2%
- **Normalized EPS Group share** (diluted) reaches €1.08 (+12.5%)

Cash flow statement

(In € million)	12 months ended 31 December 2017	12 months ended 31 December 2016
Operating Margin before Depreciation and Amortization (OMDA)	**335.4**	**258.7**
Capital expenditures	-107.0	-85.3
Change in working capital requirement	33.8	33.4
Cash from operation	**262.2**	**206.8**
Taxes paid	-44.1	-39.1
Net cost of financial debt paid	-1.1	-0.6
Reorganization in other operating income	-6.5	-5.2
Rationalization & associated costs in other operating income	-4.1	-4.1
Integration and acquisition costs	-20.1	-9.9
Net long term financial investments	-2.0	-1.3
Other changes (*)	-8.4	-10.1
Free Cash Flow (**)	**176.0**	**136.5**
Net material acquisitions	-220.1	-111.0
Capital increase	10.7	7.5
Proceeds from the disposal of the Visa Share	0.0	35.6
Change in net cash	**-33.5**	**68.6**
Foreign exchange rate fluctuation on net cash	-5.1	3.0
Opening net cash (**)	347.7	276.0
Closing net cash	**309.1**	**347.7**

(*) "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.
(**) 31 December 2016 FCF adjusted by €-3.9m to reflect change in presentation disclosed in Note "Accounting rules and policies"

Key Observations

- **Free cash flow** increased by +28.9% in 2017 (**FCF/OMDA** conversion of **52.5%**)
- **Capex** includes investment in proprietary software platform for c.€47m
- Positive **change in WCR** reflects the alignment of contractual T&Cs notably for acquired companies
- **Net material acquisitions** corresponds mainly to the net cash paid for DRWP, FDB, MRL Posnet, and Diamis
- **Net cash** end of December 2017: c.€ 309 million

Simplified balance sheet

In € million	As at December 31, 2017	As at December 31, 2016 (*)
Goodwill	933.8	766.4
Intangible assets	352.6	312.2
Tangible assets	129.2	103.8
Non-current financial assets	35.4	27.8
Net non-current assets	**1451.0**	**1210.1**
Current assets & liabilities	**-186.5**	**-101.8**
Total equity	**-1426.4**	**-1292.0**
Pension provision	**-116.0**	**-131.6**
Provisions	**-26.2**	**-30.4**
Net deferred tax liability	**-5.0**	**-1.9**
Net cash	**309.1**	**347.7**

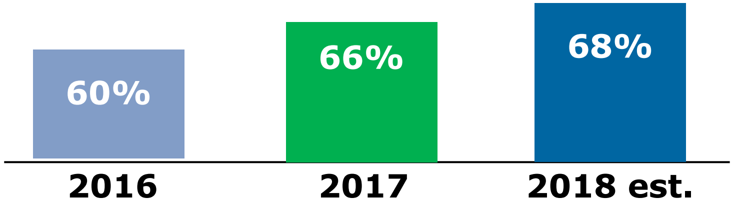
Key Observations

- Increase in **non current assets** reflects the mostly the goodwill and intangible assets recognized for the acquisitions of DRWP, FDB and MRL Posnet
- Decrease in **provision for pension** is due to the **freeze of the pensionable pay in the UK** (Railways Pension Scheme), negotiated in H1 2017

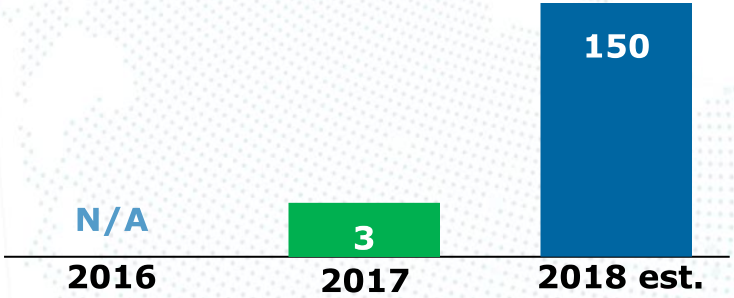
(*) 31 December 2016 net cash position adjusted by €-51.2m to reflect change in presentation disclosed in Note "Accounting rules and policies"

TEAM² program supporting the profitability expansion

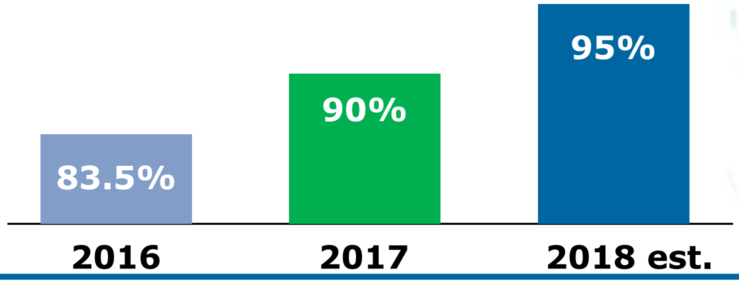
Contract coverage review for project margin improvement (% of yearly revenue)



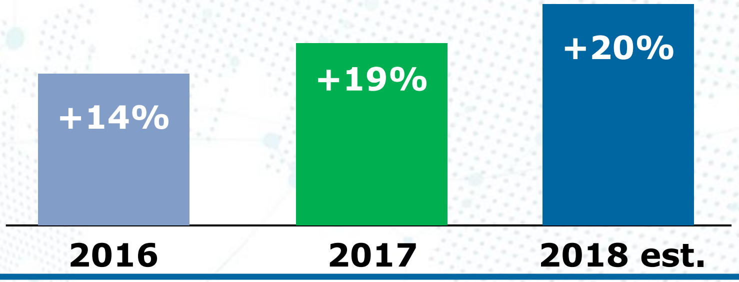
Number of robots created



Lean coverage



Evolution of off-shore staff



Commercial & operational performance

2017 annual results

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Marc-Henri Desportes

General Manager Worldline

Tuesday, February 20th 2018

Worldline

Robust transaction volume growth during the year

+11%
Number
of issuing transactions

+13%
SEPA mandates
managed

+7%
Number of
non-card
transactions

+ 32%
iDeal transactions

Trusted
Authentication
transactions
c. X 2.5

Acquisition of Diamis

Company Overview

- A software house dedicated to interbank and **payment processing services** to settlement Banks (payment software edition, SaaS & Office services)
- A former Atos (60%) / other IT service company (40%) JV, created in 1999. 70 employees

Numerous synergies with equensWorldline

- **Complementary customer** portfolio
- Reinforcement of the commercial portfolio with a strongly **complementary software offer**;
- In the context of **instant payment** and ECB's **Target2/T2 Securities consolidation projects**.

Cristal Solution

A global payment and liquidity management hub

- End-to-end **payment engine**
- **New liquidity services** arising along with Target2-Securities deployment
- **Proactive liquidity management** enabling banks to spare collateral allocated to intraday funding requirements
- **More than 15 millions transactions** processed per day, **21 billion transactions** processed per year

Key Financials

- **Purchase price (enterprise value): c.€11 million** based on independent expert valuation
- Consolidation date: **December 31st, 2017**
- 2017 revenue: **c.€8 million**

Main Q4 2017 signatures

Merchant Services

Key achievements & business update

- **Pharmaceutical company:** e-commerce and e-payment platforms for opticians in several key European countries
- **End-to-end Private Label Card** service to a new national retailer **in the UK**
- Satisfactory **increase** in transaction **volumes** of **Worldline Online Payment Acceptance** (former Digital River World Payments): +12% since the acquisition of the company

Financial Services

Key achievements & business update

- **Large German bank:** outsourcing of the Swift payment processing
- As PSD2 came into force in January 2018, signature of **several contracts for PSD2 compliant secured platforms**
- **Instant payment services** to be delivered to another Dutch bank.
- Deployment of **Worldline's HCE mobile payment** at a major Belgium bank.

Mobility & e-Transactional Services

Key achievements & business update

- Development of Worldline's next generation open payment platform: Worldline is one of the first companies globally to participate in **Visa's new Visa Ready for Transit** program
- Continued development of **Trusted Digitization:** in particular:
    - **French Defense Ministry, Military health Services:** e-Health end-to-end solution for the military forces

Worldline

2017: Major platform & portfolio developments
targeting fast growing market segments

Ready to address the hottest payment market trends

- HCE mobile payment platforms
- Instant payments solutions
- Trusted authentication services
- VALINA: First unattended Android touch-screen POS terminal
- PSD2 comprehensive set of offerings
- Open Payments

Worldline

Significant growth drivers sustain 2018 momentum

1. **New Sales Head** on boarded end of Q3 2017 driving a strong **sales transformation** and energizing program
2. **Confirmed** renewed **interest of banks in outsourcing** payments under technology and regulatory pressure
3. **PSD2 and Instant Payments** delayed start but concentrating in 2018, after first sales in 2017
4. **Reinforced product portfolio**
5. **Better Country mix** in Merchant Services (NLs, Germany and CEE, India, Global e-Com and int'l acceptance solutions: now c.30% of Merchant Services revenue)
6. **Topline synergies** with 2017 acquired businesses

Weighted commercial **pipeline value x2** compared with 2016
Several **well advanced outsourcing** opportunities **> 100 million euros**

Accelerating the opening of Worldline's platforms

Already Existing partnerships

Limonetik
lyf pay
PAYMIUM
FEXCO
AcceptEasy
SNAPSWAP

Memberships in "Fintech Hubs"

B·HIVE
TQ TechQuartier

Platform enabler API program

apigee

Accelerating the opening of Worldline's platforms

- Mobile payments
- Open payments
- Instant payments
- e-commerce
- e-identity

Atos Fintech Program

Fintech contest Open banking

Acquisition of Fintech

Digital River WORLD PAYMENTS

Demo innovation centers

Worldline

People excellence supporting our expansion

INVESTING IN PEOPLE

- Digital native graduates
- Tier One Universities
- High skilled engineers

- **1.500 hiring per year**
- A new employer brand campaign
- 530 new comers through acquisitions

DEVELOPING OUR PEOPLE

- Expert community
- Talent management
- Dedicated Performance
- Shares envelop

- **25% more identified experts**
- Over 2.500 payment certifications per year
- **New program dedicated to Millennium juniors**

CARING FOR OUR PEOPLE

- Wellbeing@Worldline
- **Great Place To Work survey**
- Streamlined integration tracks

- Response rate over 77%
- **Trust index +2**
- **7 countries GPTW**

Worldline

Conclusion

2017 annual results

Gilles Grapinet

CEO Worldline

Tuesday, February 20th 2018

Worldline

2017 key takeways

Very solid 2017 numbers,
well in line with the full year guidance

Solid revenue growth at **+6.3%** in **H2 2017**

All time high commercial activity

Very fast and successful integration of all acquisitions

A much stronger Worldline in 2018
securing the 2019 ambitions

Worldline
In 2018

Stronger than ever **innovative portfolio**

Large new **outsourcing opportunities**

Proven track record of **profit improvement**

Numerous **M&A opportunities**

Enhanced exposure to higher **growth geographies**

All time high **commercial pipeline**

Powerful 2018 **cost revenue synergy plan**

Unique combination of strategic assets for leading the consolidation of European payments

Worldline

2018 full year guidance

Reminder 2019 ambition

	2018 full year guidance	Reminder 2019 ambition
REVENUE	**Between 5% and 7% organic growth for the full year**	**6% to 8% for 2019**
OMDA	**Between 22% and 23% (1)**	**Above 23% in 2019 (1)**
FREE CASH FLOW	**Between € 200 million and € 210 million,** including c.€20 million of synergy implementation costs	**€230 million** to **€245 million**

(1): Based on revenue accounted for under IFRS15

Q&A session

2017 annual results

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Gilles Grapinet

CEO Worldline

Tuesday, February 20th 2018

Worldline

Thank you

For more information, please contact:

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