



results

first half 2014



FINANCIAL COMMUNICATION

28 July 2014



Disclaimer

- This document contains further forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and profitability in the future. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the Registration Document filed with the Autorité des Marchés Financiers (AMF) on May 6, 2014 under the registration number: I.14-027.
- Global Business Lines include Merchant Services & Terminals (in Belgium, France, Germany, India, Luxembourg, Spain, The Netherlands and United Kingdom), Financial Processing & Software Licensing (in Belgium, China, France, Germany, Hong Kong, India, Indonesia, Malaysia, Singapore, Spain, Taiwan and The Netherlands), and Mobility & e-Transactional Services (in Argentina, Austria, Belgium, Chile, France, Germany, Spain, and United Kingdom).
- Revenue organic growth is presented at constant scope and exchange rates.
- This presentation does not contain or constitute an offer of Worldline's shares for sale or an invitation or inducement to invest in Worldline's shares in France, the United States of America or any other jurisdiction.



Highlights

Gilles Grapinet, CEO



Key figures

€556.4m
+2.2% organic

Revenue

17.8%
€99.1m

OMDA (*)

€57.4m

Free cash flow

€145.9m^()**

Net cash

() : Operating Margin before Depreciation & Amortization.*

*(**) : Including €248.5m of IPO net proceeds received on July 1, 2014*



Successful IPO of Worldline

**Completed
according
to the initial
planning**

**Introduction
price at
€ 16.40
per share**

**Final size
of the offering
€ 639
million***

**Market
cap. of
c.€ 2.16
billion**

**Worldline
raised
€ 255
million**

**€ 384
million*
of shares sold
by Atos SE**

* After exercise of 74.6% of the over-allotment option

Key achievements in H1 2014

Alliances and partnerships

- Following KBC last year, **commercial acquiring alliance** with a large bank in Benelux
- **Acceptance** of JCB and **China Union Pay** Cards
- **Integration of PAY.ON's Payment Gateway** to extend the reach of Worldline acceptance
- Support of **Yapital** in **mPOS** in Germany
- **Worldline and HERE** (Nokia former Navteq) join forces in **connected machines**

Products and offerings

- **Payment terminals**: new product range fully ready; new distribution agreements in place in Germany and the Middle-East
- **Wallets**: after Paylib last year, win of a major wallet implementation for a consortium of Banks in Benelux
- First successful **go live in Asia** with **Worldline Loyalty** (Hong Leong Bank) in Malaysia

Innovation and awards

- **HCE Award**: the HCE (m-payment) proof of concept won "Security award" at Pay forum France in March 2014
- Worldline wins **connected objects award 2014** for its Connected Home solution in June 2014





2014 objectives

	2014 Guidance
Revenues	3 to 4% organic growth
OMDA	+c.50 bps margin for 2014 vs. 2013
FCF	c.€110m



H1 2014

Financial Performance

Bruno Vaffier, CFO

Constant scope and exchange rate figures reconciliation

Registration Document
« Proforma Accounts »

<i>in € million</i>	H1 2013 combined	Scope effect	Proforma effects	Exchange rates effect	H1 2013 PF CS	H1 2014 actuals	Change vs last year
Revenue	556.3	-4.9		-7.2	544.2	556.4	2.2%
OMDA	96.0	0.1	0.1	-1.2	95.0	99.1	
OMDA%	17.3%				17.5%	17.8%	+30 bp

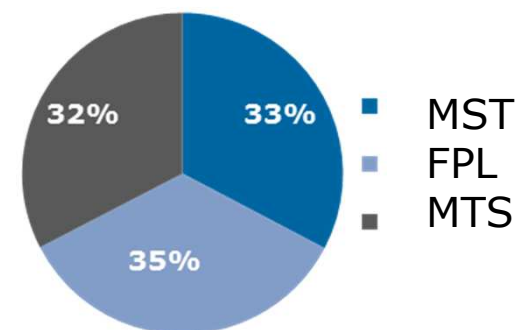
- After elimination of Worldline intercompany transactions with Atos of € 21.2 in H1 2014, Atos will report a revenue contribution for Worldline of € 535.2 million, up +0.2%

Performance per GBL

In € million	Revenue			OMDA		OMDA %	
	H1 2014	H1 2013*	% Growth	H1 2014	H1 2013*	H1 2014	H1 2013*
Merchant Services and Terminals	182.0	180.1	1.0%	38.2	36.2	21.0%	20.1%
Financial Processing and Software Licensing	193.0	185.1	4.3%	45.7	39.0	23.7%	21.1%
Mobility and e-Transactional Services	181.4	179.0	1.4%	22.5	28.4	12.4%	15.9%
Corporate costs				-7.3	-8.5		
Total Group	556.4	544.2	2.2%	99.1	95.0	17.8%	17.5%

* Proforma at constant scope and exchange rates

- Merchant Services and Terminals (MST): growing despite a temporary slow down in terminal sales
- Financial Processing and Software Licensing (FPL): strong growth driven notably by on line banking services
- Mobility and e-Transactional Services (MTS): improvement thanks to e-ticketing activities and sales cooperation activities with the rest of Atos group.
- OMDA overall improved by 30bp, in line with the full year 50bp improvement target



Merchant Services & Terminals

<i>Merchant Services and Terminals</i>	H1 2014	H1 2013*	Change
Revenue	182.0	180.1	1.0%
OMDA	38.2	36.2	
OMDA%	21.0%	20.1%	+90 bp

* Proforma at constant scope and exchange rates

Key facts

- Continuous positive trends in Commercial Acquiring, Online Services and Private Label Cards & Loyalty Services, which grew between 4% to 6% each.
- Temporary slowdown in terminal sales, which started picking up at the end of Q2 as the new product range was launched and network of resellers is developing.
- Improvement of OMDA by 90 basis points, driven by transaction volume growth and the overall effect of the Team efficiency plan.



Financial Processing & Software Licensing

<i>Financial Processing and Software Licensing</i>	H1 2014	H1 2013*	Change
Revenue	193.0	185.1	4.3%
OMDA	45.7	39.0	
OMDA%	23.7%	21.1%	+260 bp

* Proforma at constant scope and exchange rates

Key facts

- Main growth driver was Online Banking, with fast growing volume on new offers like in Sepa transfers.
- Growth in Issuing processing benefiting from overall volume growth and higher level of upsell and add-ons projects
- Positive developments in Asia with existing clients
- Favorable evolution of revenue mix and efficiency measures led the OMDA improvement of +260 bp



Mobility & e-Transactional Services

<i>Mobility and e-Transactional Services</i>	H1 2014	H1 2013*	Change
Revenue	181.4	179.0	1.4%
OMDA	22.5	28.4	
OMDA%	12.4%	15.9%	- 350 bp

* Proforma at constant scope and exchange rates

Key facts

- Continued growth in e-Ticketing, thanks to satisfactory trends in transport solutions in the UK and Automatic Fare Collection in Latin America.
- Robust refranchising activity in the UK driving intense commercial activity.
- Increased sales synergy with Atos materializing on additional revenue.
- As anticipated OMDA reached 12.4% of revenue after H2 2013 at 12.9%.





Income statement

<i>In EUR million</i>	H1 2014	H1 2013
OMDA	99.1	96.0
Operating Margin	80.0	78.3
Staff reorganization	-1.6	-1.2
Rationalization and associated costs	-3.1	-0.4
Integration & acquisition costs		-0.1
Customer relationships amortization (PPA)	-1.7	-1.8
Others	-3.6	18.3
Operating income	70.0	93.1
Net financial expenses	-5.8	-3.5
Tax charge	-16.5	-21.3
Non-controlling interests and associates	-2.1	-0.7
Net income	45.6	67.6

Key Observations

- **Rationalization expenses** include set-up costs of the Team program
- **Others** include in 2013 the income from the sale of a datacentre in Belgium for € 19.0 million
- **Tax** charge corresponds to an ETR of 25.7%

Cash flow statement

<i>In EUR million</i>	H1 2014	H1 2013
OMDA*	99.1	96.0
Capital Expenditures	-31.0	-29.7
Change in working capital requirement	22.6	5.5
Cash from operations	90.7	71.8
Taxes paid	-22.1	-15.8
Net costs of financial debt paid	-2.5	-1.9
Reorganisation	-1.9	-1.0
Rationalisation & associated costs	-1.0	-0.5
Net financial investments	-0.2	-0.2
Other changes	-5.6	19.5
Free cash flow	57.4	71.8
Net material (acquisitions) / disposals	-11.3	-
Capital increase / (decrease)	-	2.9
Dividends paid to owners of the parents	-45.1	-
Change in net cash	1.0	74.7
Impact of foreign exchange rate fluctuation	-4.0	5.1
Opening net cash / debt	-99.6	-14.6
Closing net cash	-102.6	65.2

* Operating Margin before Depreciation and Amortization

Key Observations

- **Capex** is in line with the investment plan for the year.
- **Other changes** in H1 2013 included the proceed from the sale of the datacentre in Belgium for € 20.7 million.
- **Net acquisition** of €11.5 million corresponds to the last movements of the 2013 carve out in China.

Simplified balance sheet

<i>In EUR million</i>	June 30, 2014	December 31, 2013	June 30, 2013
Goodwill	370.7	368.9	373.3
Intangible assets	89.6	76.6	66.0
Tangible assets	73.0	77.3	80.1
Net non-current financial assets	4.7	6.9	6.6
Net deferred tax assets	48.3	43.3	26.6
Net non-current assets	586.3	573.0	552.6
Working capital requirement (*)	172.2	-61.8	-46.2
Total equity	572.4	335.6	485.7
Net pension provision	72.0	61.4	66.5
Provisions	11.5	14.6	19.4
Net debt	-102.6	-99.6	65.2

Key Observations

(*) IPO proceeds are accounted for as other current assets within working capital requirement, as cash proceeds were received on July 1, 2014.



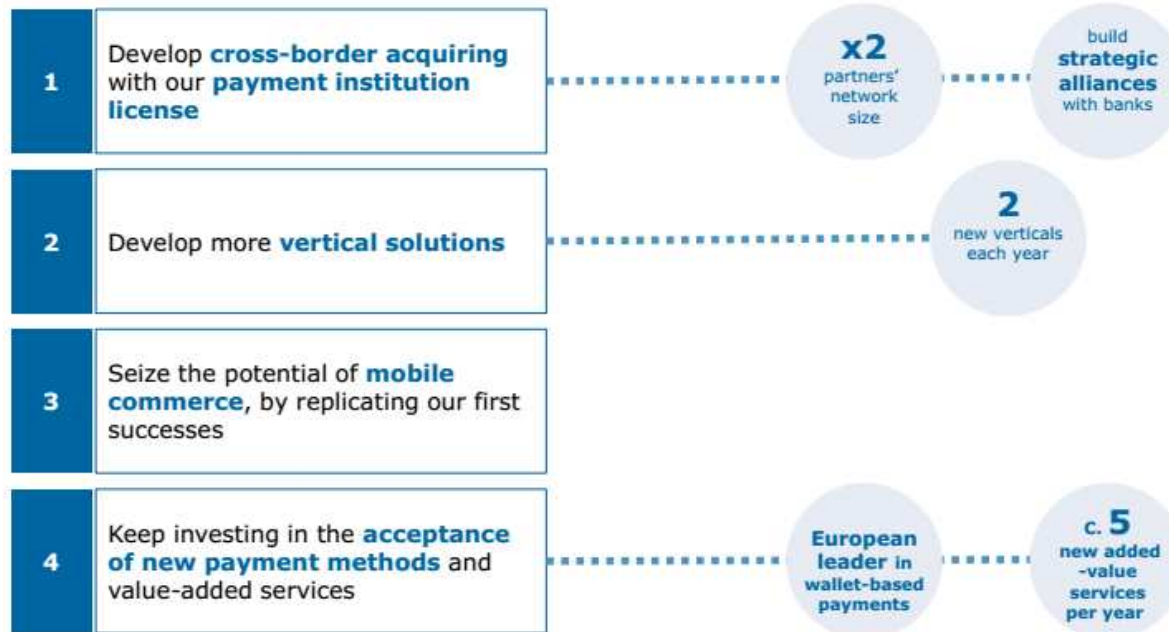
Business **Highlights &** **innovation**

Marc-Henri Desportes,
General Manager

Merchant Services & Terminals

Business Highlights

Action plan & operational objectives



Key achievements

- Alliance with a large bank in Benelux
- Restobox solution launch for Restaurants and Cafés
- > 3000 mPOS rolled-out in Benelux
- SOFORT on SIPS & Yapital support at mPOS in Germany

Market highlights

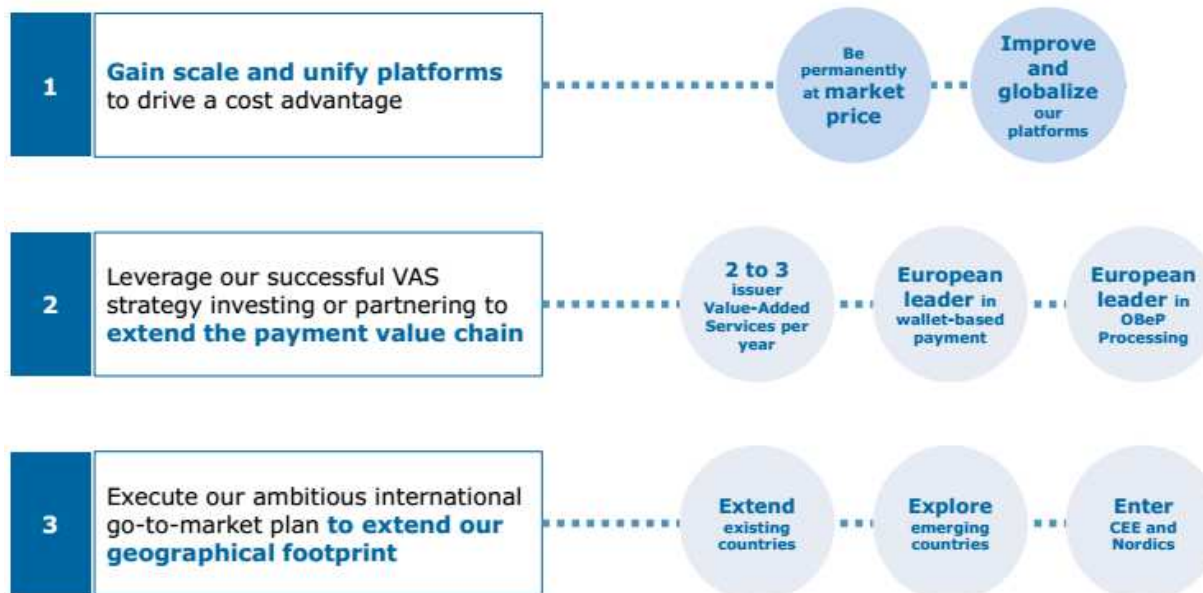
- Confirmed appetite of banks for alliances
- Decrease in Interchange through EC or local regulator decisions
- eCommerce keeps growing double-digit

Selected wins	<u>Large Bank</u>	<u>Large loyalty scheme</u>	<u>Retail drive</u>	<u>Large retailer's bank</u>	<u>John Lewis</u>
	Commercial Acquiring Alliance Benelux	CRM & Loyalty France	Omnicommerce renewal France	e-m Payment acceptance France	e-m Payment acceptance UK

Financial Processing & Licensing

Business Highlights

Action plan & operational objectives



Key achievements

- WIPE program is established and further projects are moving into production
- Central Wallet platform is now active for 20 banks with over 300,000 active users
- Pilots of Hosted Card Emulation (HCE) in Europe
- Investments in state-of-the-art fraud management solution and card-linked offers

Market highlights

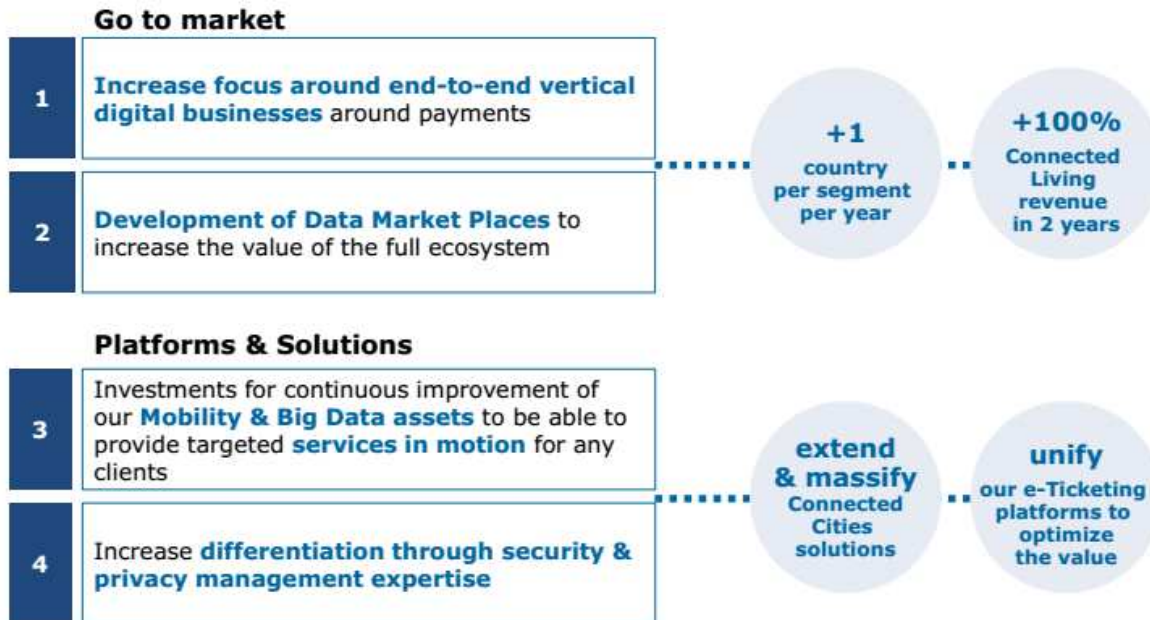
- SEPA migration is a transforming achievement (95% done end of May)
- Online payment method iDEAL has reached a new milestone (13M transactions per month)
- Strong growth in wallet initiatives with many new projects announced/planned
- Trend to suppliers' consolidation for international banking groups confirming

Selected wins	<u>Large Bank</u>	<u>VW Bank</u>	<u>Chèque Déjeuner</u>	<u>French banks</u>	<u>PT Bank Bumiputera</u>
	Issuing renewal + new dev Belgium	Issuing renewal (230 000 Cards) Germany	Prepaid issuing France & Portugal	Acquiring renewal France	Licensing Indonesia

Mobility & e-Transactional Services

Business Highlights

Action plan & operational objectives



Key achievements

- Sales synergy with Atos driving new business on Worldline Connected Living platform
- Integrale, new product for UK transport industry is now live
- Partnership with Here in Connected Vehicle
- Strong activity of our omni-channel customer services in France and start of rollout in two new countries (Belgium and UK)

Market highlights

- Confirmation of numerous opportunities in Connected Living
- Dynamic eTicketing with growing trends for card payment as transportation fare

Selected wins	<u>DSCR</u>	<u>Rail industry</u>	<u>Rail industry</u>	<u>e-Megalis BZH</u>	<u>Argentina Health ecosystem</u>
	e-Government/ telcos renewal France	eTicketing new Business UK	eTicketing renewal UK	eGovernment/ Digitization France	eGovernment/ e-Health Argentina



Innovation

Wallet/Future of payment

- Designed **Hosted Card Emulation payment solution**, compliant with Visa and MC, won award at Payforum 2014 in Paris, patent submitted
- Prototypes for **Bluetooth Low Energy** (beacons) payment, **fingerprint** and **voice** mobile authentication
- Investigations on face recognition mobile authentication

Data analytics

Launched research program with partners to :

- Enhance scalability and dynamic features of **fraud** management solutions
- Strengthen our **Card-Linked Offers** solution with strong personalization capabilities
- Innovate on **CRM** through predictive analysis of customer purchase behaviour

2 patents submitted

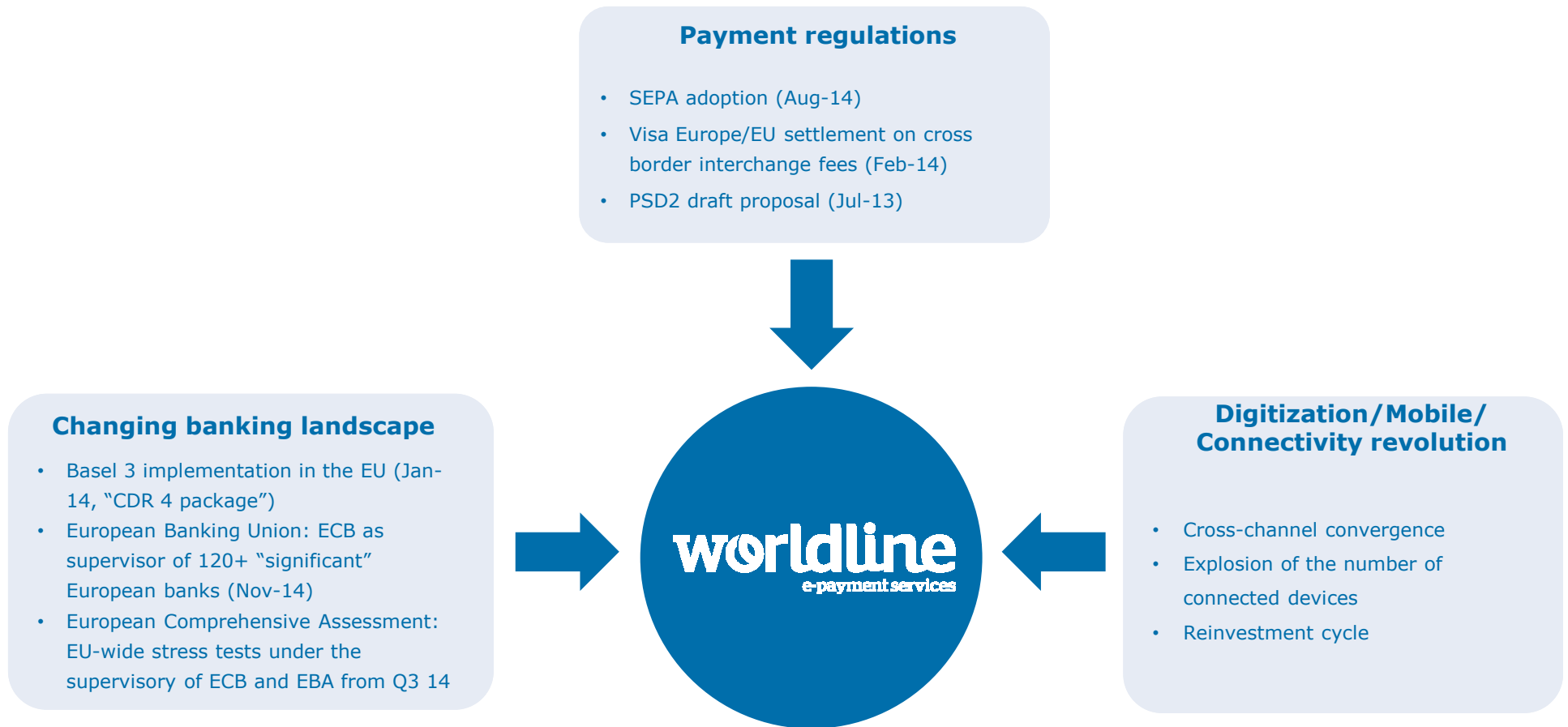
- Connected Kitchen
 - HCE-based payment solution
- Several other patents in preparation*



Conclusion

Gilles Grapinet, CEO

Worldline vision of change in the payment industry





Key takeaways





Q&A Session

Management team