press release

Worldline

Resilient first quarter 2020 revenue

Revenue: € 575 million, up +2.0% organically

Rapid adaptation of Worldline to the COVID-19 business context

Updated 2020 objectives:

Revenue, OMDA percentage and free cash flow conversion expected broadly comparable with 2019[1]

Significant progress made towards the closing of the Ingenico acquisition

New major long-term payment processing outsourcing contract

with UniCredit in Germany and Austria

Bolt-on acquisition of online payment pure player GoPay

reinforcing Worldline's e-commerce market position in Eastern Europe

Bezons, April 23rd, 2020 – Worldline [Euronext: WLN], European leader in the payments and transactional services industry, today announces its Q1 2020 revenue and an update of its 2020 objectives in relation with COVID-19 context.

Gilles Grapinet, Worldline Chairman and CEO said:

Faced with COVID-19 and its consequences, Worldline was able to adapt quickly to the new worldwide health constraints, while ensuring, thanks to the mobilization of its teams, both the safety of its employees and the complete continuity of its operations. Throughout Europe, we are fully committed to supporting merchants during this exceptionally challenging period and are actively involved with the implementation of various local initiatives to raise the limits of contactless payments.

Despite the brutal degradation of the economic climate resulting from containment policies implemented in most of the Group's major countries, first quarter revenue growth was up by +2%. This illustrates the strong resilience of our business model, thanks notably to the growth of our Financial Services division, which has partially offset the strong slowdown in Merchant Services activities that began in March. This resilience enables us to update our 2020 objectives despite the uncertainties linked to the COVID-19.

In parallel, Worldline made significant progress with regard to its strategic roadmap notably by signing a new major contract with UniCredit and by an agreement for the bolt-on acquisition of GoPay, a company specialized in online payments in Central Europe.

Lastly, preparations for the closing of Worldline's acquisition of Ingenico, expected during the third quarter of this year as previously announced, are progressing according to plan thanks to highly effective collaboration between both groups.

[1] Based on anticipated economic scenario outlined on page 8

Rapid adaptation of Worldline to the COVID-19 business context

Pandemic is one of the risks traditionally addressed by the Group Business Continuity Plan. This plan, which was activated as early as February 2020, resulted in a ramp up of the Group's remote working rate as the crisis developed, and in the full compliance with the local regulatory requirements. These measures meet both priority objectives of protecting the health of the Group's employees and ensuring a continuous delivery of the Group's services.

In addition, Worldline's sales force remained in constant dialogue with its customers and in particular supported retailers for their need for click & collect capacity upgrades, offered support to merchants to quickly set up their online business, promoted contactless payments as well as mobile POS systems.

Strong actions to adapt the cost base to COVID-19 consequences were also taken, and among others:

- A freeze on new hirings was put in place;
- Salary increase were postponed;
- Holidays & other measures policy were implemented;
- Key supplier contracts were adapted;
- Project reviews were conducted, and
- All discretionary expenses, including travel costs, were stopped

The monitoring of merchant risks was also reinforced. In that respect, new members joined Worldline's high quality risk management teams and new tools were implemented.

Lastly, Worldline has been cooperating with its partners (banks and payment brands) in numerous countries throughout Europe (Belgium, The Netherlands, Germany, Switzerland, etc.) to facilitate and implement higher contactless payment authorization limits, in light of the World Health Organization recommendations for fostering ePayments and limit the risk of transmitting the COVID-19 virus through bills and coins.

Resilient Q1 revenue

For the analysis of the Group's performance, revenue for the first quarter of 2020 is compared with the first quarter 2019 at constant scope and exchange rates, presented in the Appendix to this release. Performance for the first quarter 2020, on a like-for-like basis compared with Q1 2019, is as follows:

Q1 2020 revenue performance by Global Business Lines

	Revenue		
In € million	**Q1 2020**	**Q1 2019***	**% Organic Growth**
Merchant Services	267.2	266.3	+0.4%
Financial Services	223.0	214.2	+4.1%
Mobility & e-Transactional Services	84.6	83.2	+1.6%
Worldline	**574.8**	**563.7**	**+2.0%**

** At constant scope and March 2020 YTD average exchange rates*

Merchant Services revenue for the quarter reached **€ 267.2 million**, improving organically by €+1.0 million or **+0.4%** compared to Q1 last year.

After a double digit growth recorded during the first two months of the year, the Business line was impacted by the overall reduction in payment transactions following the social distancing, confinement and lock-down measures adopted in all key geographies where the Group operates, in the context of the COVID-19 sanitary crisis.

In that context, revenue in **Merchant Payment Services** (commercial acquiring, online & omni-channel payment acceptance and payment terminals) grew slightly during the first quarter, resulting from contradictory developments.

- On the one hand, an unprecedented reduction in transaction volumes was recorded in sectors strongly impacted by the confinement measures such as tourism and event related businesses (airlines, tour operators and cruise, duty free stores, hospitality, dynamic currency conversion), restaurants, petrol retail and general retail.
- On the other hand, this decrease in transaction volumes was however partly compensated by much higher transaction volumes with food retailers and drugstores and more online transactions for businesses not impacted by COVID-19, such as online entertainment or goods delivery.

Overall, acquiring transaction volumes have decreased by more than 30% since mid-March compared with the same period last year.

Regarding payment terminals, sales slightly decreased but were overall resilient thanks to higher demand for mobile POS needed for deliveries and to the newly launched VALINA unattended payment terminal used in vending machines.

Lastly, **Merchant Digital Services** grew slightly as well, partly thanks to higher business notably with French retailers on "click & drive" or "click & collect" types of solutions.

Revenue in **Financial Services** reached **€ 223.0 million**, improving organically by €+8.8 million or **+4.1%.** As expected, this business line showed an overall resilience in the current economic context thanks to recurring payment flows (such as for payment of rent, utilities, etc.), to newly signed large outsourcing contracts and to ongoing project activity with banks and financial institutions.

Specifically, revenue for *Accounts Payments* was not affected by COVID 19 and recorded a solid double digit growth rate, primarily fueled by:

- Higher account based payment transactions (+8%); and
- The ramp-up of large contracts such as Commerzbank and the newly announced large long-term outsourcing contract with UniCredit in Germany and Austria.

Digital Banking was unaffected by the current crisis environment as well, benefitting from more Strong Authentications requests for eCommerce transactions (+40% altogether for ACS, Trusted Authentication and wallet transactions), coupled with higher volumes on e-brokerage.

Issuing processing revenue was quasi stable. It has been slightly impacted by COVID-19 but these impacts were offset by the ramp-up of the OP contract in Finland, by a slight increase in number of cards managed and buy a +8% growth in number of issuing transactions, reflecting the stronger usage of cards notably for low value or contactless payments.

Lastly, as expected, *Acquiring Processing* revenue slightly decreased. Indeed, that division was the most impacted by COVID 19, as the number of transactions processed for local acquirers in The Netherlands, France, Italy and Belgium decreased sharply as from March.

Mobility & e-Transactional Services revenue reached **€ 84.6 million**, improving organically by €+1.3 million or **+1.6%** compared to last year.

- *Trusted Digitization* revenue grew double digit, thanks to higher business with various French governmental entities, in particular agencies in charge of payment of grants and benefits, of production of secured official documents and of the Digital Personal Medical file. Activity was good in Latin America as well, in particular for the Salta Tax collection contract and with Farmalink.

- Revenue in *eConsumer & Mobility* declined as planned mostly due to less projects and value added device resale recorded this quarter.

- *e-Ticketing* revenue remained quasi stable, despite being the most impacted by the COVID-19 situation. Indeed, the division suffered from lower ticketing volumes and revenue at the very end of the quarter, while it benefitted from the continuous development of Tap2Use contracts, and in particular from the project phase of the newly Open Payment contract signed with the Lyon public transport operator SYTRAL.

First quarter 2020 commercial activity and key achievements

Merchant Services

Further to the signature of the Subway pan-European contract announced in February, the commercial success of Worldline online payment solutions was further confirmed this quarter with:

- The signature of a contract with an online print and design company, for which Worldline will offer a one-stop shop solution for gateway & acquiring across several countries in Europe; and
- A pan-European gateway and acquiring contract with the online musical instrument retailer Gear4music.

Lastly, Worldline successfully entered the electric vehicle charging market. Indeed, the Group will provide to the largest European electric vehicle charging service provider, a mobile application, which will enable drivers to access charging stations and to pay for the service, thanks to the integration of Saferpay and Worldline acquiring into the application.

Financial Services

Aside from the very large new outsourcing contract signed with UniCredit (as detailed thereafter), commercial activity in Financial Services was very active. In particular:

- Worldline has signed through Brinks a large ATM transaction management contract for BPCE, pursuant to which the Group will manage approximately 300 million transactions per year from circa 11,000 ATM over 10 years. This new contract perfectly illustrates Worldline's strategy to expand in the ATM transaction management market, which is currently being consolidated or outsourced in Europe to a limited number of providers;
- A large issuing processing contract was renewed with a leading European financial institution; and
- Worldline was chosen by the Central bank of Curacao & Saint-Martin to switch to instant Payments, further demonstrating the Group's expertise in instant payments.

Mobility & e-Transactional Services (MeTS)

In *eTicketing*, Worldline has been selected by SYTRAL, Lyon's region public transport authority, to implement its "Tap 2 Use" solution, enabling travellers to buy and validate their journey just using their EMV cards. That solution, which includes validators, ticketing back office and payment acceptance, further confirms Worldline's leadership in deploying Open Payment solutions for public transport operators. In addition, Worldline has renewed its contract with two rail franchises in the United Kingdom to provide rail operations and passenger information services.

In *eConsumer & mobility*, Worldline will implement its "Smartpush" solution for the broadcasting and monitoring of secured SMS / voice messages, for the French Social Security branch in charge of paying numerous subsidies to families.

In *Trusted Digitization*, several contracts were renewed or extended. In particular, Worldline has extended its current secured Track and Trace contract to allow compliance with processes imposed by the EU to manage excise rights collection and payment.

Backlog

The **backlog** at the end of March 2020 increased to **€ 3.9 billion**.

Continued execution of the strategic vision of Worldline

Very large long-term payment outsourcing contract signed with UniCredit

On February 27, 2020, Worldline announced the signing of a very large long-term strategic partnership with UniCredit, a leading European financial institution. Worldline will be responsible for the processing of all SEPA (Single Euro Payments Area) payments, instant payments, multi-currency, domestic and high value payments transactions for UniCredit in Austria and Germany. This new major outsourcing contract follows the one signed with Commerzbank in 2018 and further demonstrates the relevance of Worldline's payment outsourcing value proposition, not only as a provider but also as a true long-term sparring partner bringing innovation, price competitiveness and guaranteed regulatory compliance.

Significant progress made towards the closing of the Ingenico transaction

On February 3rd, 2020, Worldline and Ingenico announced the signing of a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares and convertible bonds (OCEANE), with a view to creating a new world-call leader in payment services with estimated pro forma revenues reaching c. € 5.3 billion in 2019, out of which c. € 2.5 billion in merchant payment and transaction-related services. Since the announcement, the transaction has been particularly well received by the customers and the key partners of both groups, highlighting its very compelling industrial and business rationale.

Thanks to the full mobilization of teams on both sides, fast progress has been made towards the processes to be completed and the approvals to be obtained to be ready to close **during the third quarter of 2020 as per timing initially announced**.

In particular:

- **All required regulatory filings or pre-fillings to seek transaction approvals** (Regulatory, Foreign Investment, merger control clearances) have been made and are under discussions with the relevant regulators, and the various **clearance processes are progressing as expected**
- **Ingenico French Works Council has given its opinion** regarding the contemplated acquisition and Worldline has competed its information process with its works councils;
- The **bridge financing** for the transaction has been **committed** by a pool of 8 banks for an amount up to € 2.6 billion. That bridge financing will be available for a duration of up to 2 years from the expected closing date.

In addition, **preliminary activities to prepare integration** are now **started**, in line with the Worldline Day-1 readiness proven methodology in compliance with applicable antitrust rules, under the supervision of senior management from both groups.

Bolt-on acquisition of GoPay, an online payment pure player in Eastern Europe

On April 8, 2020 Worldline signed an agreement for the acquisition of 53% of GoPay, the leading online collecting payment services provider for small and medium sized businesses (SMB) in the Czech Republic. The price paid for this acquisition corresponds to an acquisition multiple (Enterprise Value to OMDA) below Worldline's current multiple.

Having generated c. €7 million revenue in 2019 and OMDA of c. € 2 million, GoPay currently employs 45 employees and manages online payments for c. 9,000 e-shops in the Czech Republic, with presence in Slovakia and Poland. GoPay's value proposition is based on a quick access to a high quality payment collecting engine fit for the needs of small businesses and offering an extensive range of local payment means.

With this acquisition, Worldline:

- Seizes a rare opportunity to develop its online collecting activity in the fast-growing Eastern Europe market;
- Enhances its local expertise in digital go-to-market; and
- Strengthens its market position in the Czech Republic and its partnership with Komercni Banka.

With its double-digit revenue growth track record and solid profitability, GoPay is expected to contribute to reinforce the financial profile of Worldline's Merchant Services division.

The current owner and manager of GoPay, Pavel Schwarz, will continue to be fully involved in the daily operations of the company and will be instrumental in both product development and in achieving the ambitious business plan and synergies going forward.

The transaction is expected to close during the third quarter of 2020, and Worldline has a right to acquire the remaining shares in 2022.

Worldline financing liquidity

In the current COVID-19 context, it is reminded that Worldline enjoys excellent short and long term liquidity position as well as a BBB/stable rating from S&P. None of its debt instrument is subject to covenant close.

In particular, as of December 31st, 2019:

- Net indebtedness of the company was limited to € 641 million, corresponding to a 2019 net debt / OMDA leverage ratio below 1.1x.
- The gross cash position was € 500 million and the Commercial Paper program was used only for a limited amount of € 63 million, which was reimbursed in Q1.
- The revolving credit facility of €600 million was undrawn and remains today fully available.

In the longer term:

- Long term debt consists in two bonds issued in the context of the acquisition of equensWorldline minority interests in 2019, a € 600 million convertible bond maturing in 2026 and a € 500 million bond maturing in 2024.

Lastly, regarding the financing of the Ingenico acquisition:

- A bridge financing has been committed by a pool of 8 banks, for an amount of up to €2.6 billion and up to a maximum duration of two years following expected closing.

Update of the 2020 objectives adapted to new COVID-19 context

As the 2020 objectives disclosed on February 3, 2020 were pre Covid-19 effect, the Group updates today its three objectives for the full year 2020, consistently with the macro-economic and sanitary scenario described below.

Consequences of the COVID-19 pandemic are expected to last for the whole year 2020, due to exceptional social and economic restriction measures taken by governments in most of the Group's key markets. In this context, the Group has retained the following scenario for its analysis:

- **During Q2, Worldline anticipates that activities will remain severely restricted**: Lock down of non-essential retail and strict confinement and/or social distancing measures maintained during most of the quarter;
- **During H2 2020, the scenario is based on a very gradual lift of government constraints:** General "non-essential" retail re-opening and increase of domestic payment flows allowing a progressive business recovery, while very limited international travel, tourism and related businesses are anticipated. Postponement of all key conventions and events (sporting, corporate, festivals, concerts & leisure, etc.) to 2021

Based on these hypotheses, the Group expects a full year 2020 financial performance broadly in line with 2019, as follows:

Revenue

The Group expects its 2020 full year revenue to be flat or decreasing by a low single digit compared with 2019 at constant scope and foreign exchange rates.

OMDA

The Group expects a 2020 full year OMDA percentage at constant scope and foreign exchange rates around 25%, circa the same percentage than 2019.

Free cash flow

The Group targets circa the same cash conversion percentage (free cash flow divided by OMDA) than in 2019[1].

These objectives are expressed at constant exchange rates. They rely also on the absence of change in scope and of significant change in accounting standards.

These objectives have been built on a comparable basis versus historical financial information, and according to Group's accounting standards.

Forthcoming events

June 9, 2020	Shareholder's Annual General Meeting

[1] Excluding Ingenico transaction acquisition costs.

Appendix: Reconciliation of Q1 2019 reported revenue with Q1 2019 revenue at constant scope and exchange rates

For the analysis of the Group's performance, revenue for Q1 2019 is compared with Q1 2018 revenue at constant scope and foreign exchange rates.

Reconciliation between the Q1 2018 reported revenue and the Q1 2018 revenue at constant scope and foreign exchange rates is presented below (per Global Business Lines):

	Revenue		
In € million	**Q1 2019**	**Exchange rates effects**	**Q1 2019***
Merchant Services	261.8	+4.4	266.3
Financial Services	213.2	+1.0	214.2
Mobility & e-Transactional Services	84.6	-1.4	83.2
Worldline	**559.6**	**4.0**	**563.7**

** At constant scope and March 2020 YTD average exchange rates*

Exchange rate effects correspond mainly to the appreciation of the Swiss Franc partly offset by the depreciation of the Argentinian Peso

The Q1 2019 figures presented in this press release are based on the constant scope and foreign exchange rates data.

Conference call

Worldline's Chairman & CEO Gilles Grapinet, along with Deputy CEO Marc-Henri Desportes, and Chief Financial Officer Eric Heurtaux will comment on the Group first quarter 2019 revenue, on Thursday, April 23rd at 8.00am (CET – Paris).

You can join the **webcast** of the conference:

- on worldline.com, in the Investors section

- by smartphones or tablets through the scan of the QR code or through this link : https://edge.media-server.com/mmc/p/5ey24caa

- by telephone with the dial-in:

United Kingdom (Local):	+44 (0) 844 481 9752
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Confirmation Code: **2297658**

After the conference, a replay of the webcast will be available on worldline.com, in the Investors section

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Revenue organic growth and Operating Margin before Depreciation and Amortization (OMDA) improvement are presented at constant scope and exchange rate. OMDA is presented as defined in the 2018 Registration Document. 2020 objectives have been considered with exchange rates as of December 31, 2019. All figures are presented in € million with one decimal. This may in certain circumstances lead to non-material differences between the sum of the figures and the subtotals that appear in the tables.

Global Business Lines include Merchant Services (in Argentina, Belgium, Brazil, Czech republic, France, Germany, India, Luxembourg, Malaysia, Poland, Spain, Sweden, Switzerland, The Netherlands, United Kingdom, USA), Financial Services (in Belgium, China, Estonia, Finland, France, Germany, Hong Kong, Indonesia, Italy, Latvia, Lithuania, Luxembourg, Malaysia, Singapore, Spain, Switzerland, 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).

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About Worldline

Worldline [Euronext: WLN] is the European leader in the payment and transactional services industry. With innovation at the core of its DNA, Worldline's core offerings include Pan-European and domestic Commercial Acquiring for physical or online businesses, secured payment transaction processing for banks and financial institutions, as well as transactional services in e-Ticketing and for local and central public agencies. Thanks to a presence in 30+ countries, Worldline is the payment partner of choice for merchants, banks, public transport operators, government agencies and industrial companies, delivering cutting-edge digital services. Worldline's activities are organized around three axes: Merchant Services, Financial Services including equensWorldline and Mobility & e-Transactional Services. Worldline employs circa 12,000 people worldwide, with 2019 revenue of circa 2.4 billion euros. worldline.com