2014: Group transformation in action

Outstanding operating and financial performance

- Annual revenue of €1.607 billion driven by double-digit growth across all regions and all business segments (up 19%[1])
- EBITDA[2] at a historic high - 23.4% of revenue
- Profit attributable to Ingenico S.A. shareholders up 43% to €172 million[3]
- Free cash flow up 44% to €255 million
- Proposed dividend of €1, up 25%

Acceleration of the Group transformation strategy

- New brand platform reflecting the Group's evolving profile and ambition
- Acquisition of GlobalCollect, leading full-service e-payment provider
- At the cutting edge of development and innovation with Telium Tetra and Ingenico Labs

2015 guidance: sustained profitable growth

- Organic growth of c. 10% on a like-for-like basis at constant exchange rates
- EBITDA margin of c. 21%, including in particular GlobalCollect contribution on a full year basis

Ingenico Group (Euronext: FR0000125346 - ING) announced today its fourth-quarter 2014 revenue and its audited financial statements for the year ended December 31, 2014.

Philippe Lazare, the Chairman and CEO of Ingenico Group, commented: "In 2014, our strategy yielded excellent results, generating outstanding operating and financial performance. Our multi-local footprint, combined with the breadth of our integrated payment solutions offer and our innovation capability, delivered double-digit growth across all regions and all business segments in which we operate.
This past year also saw the acceleration of our transformation strategy, as illustrated by our new brand platform that highlights Ingenico Group's presence across the entire payment value chain and our unique position in the industry.
The combination between Ogone and GlobalCollect - whose acquisition we finalized in the fourth quarter - has given us the opportunity to establish a global e-payment player, thus extending our in-store payment services leadership to the e-commerce ecosystem. Our aim is to continue to simplify payment for our customers around the world and across all channels: in-store, online and mobile.
With a new organization in place, we feel confident about our ambition for profitable growth in 2015."

<u>2014 results</u>

Key figures

To facilitate assessment of the Group's performance, the key consolidated financial figures for 2014 are compared here with pro forma figures and adjusted, with effect from January 1, 2013, to reflect the deconsolidation of TransferTo carried out in 2013. The 2013 pro forma data also reflect the reclassification of indirect R&D costs in the Payment Services business as operating expenses to achieve uniform accounting for R&D costs throughout the Group. See Exhibit 1.

(in millions of euros)	**2014***	2013 pro forma3	2013 reported	FY 2014 Change/

				2013 pro forma3	2013 reported
Revenue	**1,607**	1,301	1,371	**+19%**[1]	**+17%**
Adjusted gross profit	**735**	604	600	+22%	+23%
As a % of revenue	***45.7%***	*46.4%*	*43.8%*	*-70bpts*	*+190bpts*
Adjusted operating expenses	**(411)**	(369)	(361)	+11%	+14%
As a % of revenue	**-25.6%**	-28.3%	-26.4%	-270 bpts	- 80 bpts
Profit from ordinary activities, adjusted (EBIT)	**324**	235	239	+38%	+36%
As a % of revenue	***20.2%***	*18.1%*	*17.4%*	*+210bpts*	*+280 bpts*
Profit from operating activities	**273**	192	187	+42%	+46%
Net profit	**172**	119	113	**+45%**	**+52%**
Net profit attributable to shareholders	**172**	120	114	+43%	+51%
EBITDA	**377**	276	279	**+37%**	+35%
As a % of revenue	***23.4%***	*21.2%*	*20.3%*	*+220bpts*	*+310bpts*
Free cash flow	**255**	-	177		+44%
Net debt	**764**	-	296		+158%
Equity attributable to shareholders	**1,076**	-	767		+40%

**Fiscal year 2014 includes the contribution of GlobalCollect as of October 1, 2014.*

The key 2014 financial figures impacted by the contribution of GlobalCollect are presented in Exhibit 3.

Revenue up 19%

	FY 2014			Q4 2014		
	M€	Change 2014/2013		M€	Change 2014/2013	
		Comparable*1	Reported		Comparable*1	Reported
Europe-SEPA	**581**	10%	-2%**	163	15%	0%**
Asia Pacific	**291**	21%	21%	84	17%	24%
Latin America	**204**	17%	8%	61	68%	65%
North America	**177**	47%	43%	52	17%	24%
EMEA	**247**	23%	106%	64	11%	94%
Central Operations***	**107**	48%	3%	100***	37%	317%
Total	**1,607**	19%	17%	524	21%	43%

** Reflecting the new regional breakdown and the disposal of TransferTo as of January 1, 2013*
*** Based on 2013 revenue including the contribution of Italy and Eastern Europe in Europe-SEPA*
**** Including TransferTo disposal as of December 1st, 2013 and GlobalCollect acquisition as of October 1st, 2014 within Central Operations*

Performance in the fourth quarter

In the fourth quarter of 2014, revenue totaled €524 million, representing a 43% increase on a reported basis and included a positive foreign exchange impact of €1 million and a €95 million contribution from GlobalCollect. Total revenue included €356 million generated by the Payment Terminal business and €168 million generated by Payment Services.

Performance by business segment

On a comparable basis[1], revenue was 21% above the Q4 2013 figure. The 20% growth achieved in **Payment Terminals** reflected stronger-than-expected global sales activity, particularly in the United States, Brazil and China, with increased traction of technologically advanced solutions such as EMV, NFC, mPOS mobile checkout. Growth in **Payment Services** was up 23%, driven by solid sales momentum in all segments, particularly in sales of acquiring solutions in Germany.

During Q4, GlobalCollect achieved a stronger 13% organic growth. With the company now connected to UnionPay International (a subsidiary of China UnionPay), its customers can reach out to Chinese consumers via their e-commerce website.

Including GlobalCollect's contribution, Payment Services would have achieved organic growth of 18% and accounted for 32% of consolidated revenue, with 21% generated by e-payments (up 13 %).

Performance by region

During the quarter, the various regions globally delivered higher-than-expected growth.
Revenue growth accelerated in Europe-SEPA, thanks to strong business dynamic across all segments. Group delivered large payment terminal orders to banks, particularly in France, and to large retailers in Germany. At the same time, the Group stepped up deployment of its payment service strategy across all channels. With more than 335 million transactions processed in December 2014, Ingenico Group recorded strong transaction volume growth in Europe-SEPA, both in-store (up 14 %) and online (up 25 %).
At 68 %, the Group's higher-than-expected growth in Latin America was attributable to deliveries of large orders for portable terminals and mPOS solutions in Brazil, and further enhanced by a favorable basis of comparison with Q4 2013.
Sales momentum likewise remained strong in Asia-Pacific (up 17 %) - above all in China and Indonesia - and in North America (up 17 %), where the Group continued to reap the benefits of vigorous growth across all U.S. market segments (greater than 50 %). Moving beyond Tier 1 retailers, Ingenico Group stepped up deployment of its EMV and NFC solutions for independent merchants following the launch of ApplePay in the US market.
Lastly, the Group has continued to enjoy strong 11% growth in EMEA, supported by the spread of contactless solutions in Central Europe, Poland and Turkey, its dense distribution network and its direct access to the Russian market.

<u>Performance for the year</u>

In 2014, revenue totaled €1,607 million, representing a 17% increase on a reported basis, including a negative foreign exchange impact of €37 million and a €95 million contribution from GlobalCollect on the fourth quarter. Total revenue included €1,259 million generated by the Payment Terminal business and €348 million generated by Payment Services.

Performance by business segment

On a comparable basis[1], revenue growth was 19 % higher than in 2013, due to double-digit growth in both segments. The 20% growth recorded in **Payment Terminals** reflected the Group's multi-local footprint and the accelerated deployment of EMV, NFC (contactless) and mPOS solutions.
Revenue of **Payment Services** (excluding GlobalCollect) showed a 6-point increase to 17 %, due to strong momentum in online payment (with the former Ogone growing 20 %) and the up-selling of new services to Ingenico Payment Services customers (for example, acquiring services in Germany).

Including GlobalCollect's contribution (9% organic growth) for the fiscal year, Payment Services would have achieved organic growth of 13% and accounted for 32% of consolidated revenue, with 22% generated by e- payments (€397 million growing organically by 11%).

Performance by region

The Group recorded double-digit organic growth in all regions on a comparable basis[1]. In Europe-SEPA, Ingenico Group consolidated its payment terminal market leadership, while further deploying its payment services strategy combining in-store, online and mobile solutions.
As anticipated, the Group has continued to record a strong growth in North America (up 47%) based on its active involvement with EMV and NFC solutions deployment in the United States (up 50%) and delivery ahead of schedule of a large order in Canada.
The Group has also continued to expand strongly in the emerging markets, with double-digit revenue growth driven by the deployment of new technology (EMV, NFC and mPOS solutions). Ingenico Group has confirmed its leading position in its key markets, particularly in Brazil and China, which accounted for one third of the total group terminal sales volume in 2014. Lastly, strong growth also continued in other emerging markets through greater direct presence (particularly in Indonesia, Mexico and Russia) and an increasingly dense commercial network, above all in the EMEA region (up 23%).

Adjusted gross margin high at 45.7%

In 2014, adjusted gross profit for the year rose to €735 million, including a €31 million contribution from GlobalCollect in the fourth quarter.

Excluding GlobalCollect's contribution in Q4, gross profit for the full year would have been €704 million, a 17% increase compared with 2013 pro forma figure.[3] Gross margin was equal to 46.5% of revenue, up 10 basis points compared to the 2013 pro forma basis.[3]

This performance is mainly driven by a 90 basis-point increase in gross margin in Payment Terminals (equipment, services and maintenance) to a historic high of 47%, supported by a combination of outstanding growth in this segment and procurement cost optimization.

Excluding GlobalCollect's contribution in the fourth quarter, 2014 gross margin in Payment Services would be equal to 44.3% of revenue, or 380 basis points lower than the 2013 pro forma basis[3], notably due to the Group's product mix and the dilutive impact of acquiring services in Germany.

Including GlobalCollect's contribution, full year 2014 adjusted gross profit would have amounted to €807 million, equal to 43.7% of revenue.

Operating expenses under control at 25.6% of revenue

Adjusted operating expenses in 2014 totaled €411 million, including a €9 million contribution from GlobalCollect in the fourth quarter.

Excluding the impact of GlobalCollect in Q4, adjusted operating expenses rose 9% in 2014 to €403 million, up from €369 million in 2013 on a pro forma basis.[3] This increase was due primarily to the higher sales, general and administrative expenses that have accompanied the Group's expansion. Operating expenses represented 26.6% of revenue, or 170 basis points lower than the 2013 pro forma figure.[3] Ingenico Group has continued to invest in future sources of growth, above all in R&D, with the rollout of its new Telium Tetra platform and its evolving online platforms.

Including GlobalCollect's contribution, adjusted operating expenses for the full year would have amounted to €446 million, representing 24.2% of revenue.

EBITDA at a historic high - 23.4% of revenue

In 2014, EBITDA stood at €377 million, including a €24 million contribution from GlobalCollect in the fourth quarter.

Excluding the impact of GlobalCollect in Q4, EBITDA for the full year increased by 28% to €353 million, up from €276 million in 2013 on a pro forma basis[3]. The EBITDA margin -a historic high- increased by 220 basis points to 23.4 % of revenue.

GlobalCollect's EBITDA margin in the fourth quarter was equal to 25% of revenue. This exceptionally high result reflected the impact of the US dollar appreciation, foreign exchange gains at a time of high volatility of emerging market currencies, as well as reversals of accruals. **On a full-year basis, GlobalCollect's EBITDA totaled €62 million, representing 18% of revenue**.

Including GlobalCollect's contribution for the full year, the Group's EBITDA would have amounted to €415 million, equal to 22.5% of consolidated revenue.

Adjusted EBIT margin of 20.2%

In 2014, adjusted EBIT stood at €324 million, including a €23 million contribution from GlobalCollect in the fourth quarter.

Excluding the impact of GlobalCollect in Q4, adjusted EBIT for the full year increased by 28% to €301 million, up from €235 million in 2013 on a pro forma basis.[3] The EBIT margin was 19.9% of revenue, up 180 basis points.

Including GlobalCollect's contribution, Group's EBIT for the full year would have amounted to €361 million, equal to 19.6% of consolidated revenue.

Profit from operations up 42%

Other operating income and expenses represented a net expense of -€18 million, up from - €14 million in 2013 on a pro forma basis[3], with increased expenses related to the acquisition and integration of new entities.
Purchase Price Allocation expenses held fairly steady at €32 million (including €6 million related to GlobalCollect in Q4), versus €30 million in 2013.
After accounting for Purchase Price Allocation and other operating income and expenses, profit from operations totaled €273 million, a 42% increase compared with the €192 million pro forma figure for 2013.[3] Operating margin increased by 220 basis points to 17% of revenue.

Profit attributable to Ingenico S.A. shareholders up 43%

In 2014, the net profit attributable to Ingenico S.A. shareholders grew to €172 million, up sharply from the 2013 pro forma[3] basis of €120 million.
The net finance costs included in this result remain relatively flat at -€19.5 million, despite a sharp increase in net debt related to issuance of a fixed rate bond of €450 million maturing in 2021 and a new syndicated line of €600 million.
Income tax expense rose from €56 million[3] in 2013 to €81 million. As of the December 31, 2014 reporting date, the effective tax rate was down 130 basis points to 31.8%, due mainly to the evolution of the geographical mix.

Proposed dividend of €1 per share, up 25%

In line with the Group's dividend policy, the Board of Directors will be proposing that the shareholders vote at their Annual Meeting of May 6, 2015 to distribute a dividend of €1 per share, representing a payout ratio of 35%. Dividends will be payable in cash or in shares, at the option of the holder.

A stronger financial position

Total equity attributable to Ingenico S.A. shareholders increased to €1.076 billion.

In 2014, Ingenico Group's operations generated free cash flow of €255 million, up from €177 million in 2013. This improvement is mainly attributable to the increase in EBITDA and continued control over working capital, which showed a €40 million surplus despite significant increase of Group's business activity (up 19%). At the same time, Ingenico Group stepped up its investments. Investing activity net of disposals totaled €51 million, compared with €40 million in 2013, as the Group rolled out its new integrated global Telium Tetra offer and upgraded its online platforms.

The main cash outflows in 2014 totaled €722 million, up from €398 million in 2013. The €820 million outflow for the GlobalCollect acquisition was the primary contributor.

Accordingly, as of December 31, 2014, the Group's net debt stood at €764 million, up from €296 million as of December 31, 2013. OCEANE bonds constituted a large proportion of that total.

Moreover, most of the outstanding bonds were redeemed early on January 15, 2015, generating the issuance of a total of 6,770,902 shares.

After accounting for this early redemption, the Group's net debt was €653 million, while the net debt-to-equity ratio stood at 55% and the net debt-to-EBITDA ratio was 1.7x (or 1.6x including GlobalCollect's contribution on a full-year basis).

A transformation strategy in action

A new brand platform / Breadth and depth of the Group's integrated offer

In order to reflect its evolution from a payment terminals provider to the leader in seamless payment, Ingenico now operates under the dedicated corporate brand name "Ingenico Group." Encompassing three brand names - Smart Terminals, Payment Services and Mobile Solutions - the new brand architecture showcases the Group's brand promise to provide trusted, seamless, secure solutions whatever the channel, be it in-store, online or mobile, in today's changing payment landscape.

Integration of GlobalCollect / Creation of an e-payments business unit

Completed in September 2014, the acquisition of GlobalCollect represents a significant step in the implementation of Ingenico Group's transformation strategy and its accelerated shift to a payment services-based business model.

As a result, the Group's online ("card-non-present") payment transaction business, which reached European scope through the acquisition of Ogone in 2013, has been extended to include worldwide fully integrated e-payments. These two entities have been merged into a single e-payments business unit with a common culture and workforce, so that they can leverage the complementarity of their offers. This will be particularly valuable in assisting Ogone customers with the challenge of achieving international reach.
Headed by Stephen Büchner, the new business unit will also help accelerate the GlobalCollect integration process and expand the Group's online payment business around the world.

Innovation / The launch of numerous initiatives

Innovation is a core component of the Group's strategy of supporting merchants in a changing commerce environment through initiatives focused on usage.
In addition to business-related innovations - such as Telium Tetra - the Group has announced its plan to establish Ingenico Labs, an advanced R&D unit dedicated to next-generation solutions. The purpose is to strengthen the capacity for innovation across the Group so that new solutions and services can be tested more swiftly in real-world conditions and then developed to keep pace with emerging payment habits.
In 2014, for example, Ingenico Group developed France's first "one-click" donation process and also the first contactless donation with screen advertising.
At the same time, Ingenico Group is partnering with venture capital firm Partech with the launch of Partech Growth, a fund providing late-stage funding to tech and digital startups. The aim of this investment is to foster the sharing of ideas, experience and expertise. It is also likely to lead to new partnerships.

Executive Committee appointments / Encompassing the Group's new scope

In January 2015, Ingenico Group announced new appointments to its Executive Committee to reflect the evolution of its business scope and the retirement of Patrice Durand. Now composed of fourteen members - three of them from GlobalCollect - the Executive Committee has operational responsibilities (e-payment, platforms, smart terminals), geographic responsibilities (Europe & Africa; Asia-Pacific & Middle East; North America; Latin America) and transverse responsibilities (Innovation; Finance; Strategy; Human Resources and Risks). The Group is now organized into four regions to capitalize on specific knowledge of local payment issues and strong customer relationships.
Lastly, Pierre-Antoine Vacheron has been appointed EVP, Finance, Strategy & Performance. He will be in charge of driving the transformation of the Group and maintaining growth dynamics.

2015 outlook

With its unique positioning in a structurally growing electronic payment market, Ingenico Group has entered 2015 with full confidence.

In this early portion of the year, the business trend is encouraging. After the outstanding performance of its Payment Terminals business in 2014 (20% organic growth), the Group expects revenue to grow by roughly 10% over the pro forma revenue figure for 2014, which is €1.846 billion (including the contribution of GlobalCollect, whose acquisition was completed on September 30, 2014) on a comparable basis at constant exchange rates.

In 2015, the Group also expects its EBITDA margin to be around 21%, reflecting the evolution of its product and geographical mix and ongoing investment.

Finally, the Group would like to point out that, after GlobalCollect acquisition, 2016 revenue target is now expected over €2.2 billion[4], with an EBITDA margin of more than 20%.

Conference call

A conference call to discuss Ingenico Group's FY 2014 results will be held on February 18, 2015 at 6.00p.m., Paris time.
Dial-in number: 01 70 99 32 08 (French domestic), +1 334 323 6201 (for the United States) and +44 (0)20 7162 0077 (international).

The presentation will also be available on www.ingenico.com/finance.

This press release contains forward-looking statements. The trends and objectives given in this release are based on data, assumptions and estimates considered reasonable by Ingenico Group. These data, assumptions and estimates may change or be amended as a result of uncertainties connected in particular with the performance of Ingenico Group and its subsidiaries. These statements are by their nature subject to risks and uncertainties as described in Ingenico Group registration document ("document de reference"). These forward-looking statements in no case constitute a guarantee of future performance, and involve risks and uncertainties. Actual performance may differ materially from that expressed or suggested in the forward-looking statements. Ingenico Group therefore makes no firm commitment on the realization of the growth objectives shown in this release. Ingenico Group and its subsidiaries, as well as their executives, representatives, employees and respective advisors, undertake no obligation to update or revise any forward-looking statements contained in this release, whether as a result of new information, future developments or otherwise.

About Ingenico Group

Ingenico Group (Euronext: FR0000125346 - ING) is the global leader in seamless payment, providing smart, trusted and secure solutions to empower commerce across all channels, in-store, online and mobile. With the world's largest payment acceptance network, we deliver secure payment solutions with a local, national and international scope. We are the trusted world-class partner for financial institutions and retailers, from small merchants to several of the world's best known global brands. Our solutions enable merchants to simplify payment and deliver their brand promise.
Learn more at www.ingenico.com twitter.com/ingenico