

Third quarter 2016

Q3 organic growth performance and cash generation in line with full year objectives

Revenue: € 294 million, up +0.2% organically
Free cash flow: € 40 million

Full year 2016 Worldline standalone objectives confirmed

Successful completion of the transactions with Equens, Paysquare and KB Smartpay¹

Additional contribution from acquired companies in Q4 2016:

Revenue: c. +€80 million
OMDA: c. +€10 million
Positive net contribution to the Free Cash Flow

€ 40 million OMDA run-rate synergies with Equens confirmed in 2018

Bezons, October 19th, 2016 – Worldline [Euronext: WLN], European leader in the payments and transactional services industry, today announced its revenue and free cash flow for the third quarter of 2016.

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Gilles Grapinet, Worldline CEO said: *"We publish today revenue and free cash flow generation for the third quarter of 2016 well in line with our full year objectives. But more importantly, I am extremely pleased by the successful completion of the acquisitions of Equens, Paysquare and of KB Smartpay, and by the immediate start of the execution of the integration and synergy plans. These transactions confirm the status of Worldline as a major actor of the consolidation of payments services in Europe."*
.....

For the analysis of the Group's performance, revenue for the third quarter of 2016 is compared with the third quarter 2015 at constant scope and exchange rates. Performance for the third quarter and for the first nine months of 2016, on a like-for-like basis compared with last year, was as follows:

¹ Commercial acquiring business of Komerční banka

2016 third quarter and first nine months revenue

	Revenue Q3			
<i>In € million</i>	Q3 2016	Q3 2015*	Var.	Organic Growth
Merchant Services & Terminals	101.6	96.7	+4.9	+5.0%
Financial Processing & Software Licensing	107.6	103.1	+4.5	+4.4%
Mobility & e-Transactional Services	85.1	93.9	-8.8	-9.3%
Worldline	294.3	293.7	+0.6	+0.2%

* At September 2016 constant scope and average exchange rates

	Revenue 9 months			
<i>In € million</i>	Sep YTD 2016	Sep YTD 2015*	Var.	Organic Growth
Merchant Services & Terminals	311.7	288.8	+22.9	+7.9%
Financial Processing & Software Licensing	315.7	302.0	+13.7	+4.5%
Mobility & e-Transactional Services	281.7	282.8	-1.0	-0.4%
Worldline	909.1	873.5	+35.6	+4.1%

* At September 2016 constant scope and average exchange rates

During the **third quarter of 2016**, Worldline's revenue was at **€ 294.3 million**, slightly increasing compared with the third quarter of 2015 (€+0.6 million or **+0.2%** at constant scope and exchange rates), more than compensating a c.-8 points of temporary negative base effect arising from the termination of two historical contracts in the Mobility & e-Transactional business line.

Over the first nine months of 2016, Worldline's revenue was € 909.1 million, up **+4.1%** organically.

Merchant Services & Terminals revenue stood at **€ 101.6 million**, growing organically by €+4.9 million or **+5.0%** at constant scope and exchange rates. Sales of *Payment Terminal* consistently grew and *Commercial Acquiring* benefited from solid volume increase both on BCMC² and on International brands, with a less favorable price mix than during the first half of the year. *Online Services* slightly grew, while lower sales of digital kiosks in the United Kingdom impacted the *Private Label Cards & Loyalty Services* business unit.

Merchant Services & Terminals revenue growth was **+7.9%** organically **over the first nine months of 2016**, reaching € 311.7 million.

² Bancontact Mistercash : Belgium local debit scheme

Revenue for **Financial Processing & Software Licensing** has reached **€ 107.6 million**, up **+4.4%** organically (€+4.5 million). *Issuing processing* grew thanks to new value added services around authentication and good volume growth in the core issuing activities. *Acquiring processing* growth was supported by increased volumes notably in France and in India. *Online banking* improved thanks to a double-digit growth rate in volumes of non-card payment transactions. Last, revenue in *Payment Software Licensing* was close to Q3 2015.

Over the first nine months of 2016, revenue for Financial Processing & Software Licensing was € 315.7 million, up **+4.5% organically**.

Revenue in **Mobility & e-Transactional Services** was **€ 85.1 million**, decreasing by **-9.3%** or €-8.8 million. *e-Government collection* was impacted by the termination of both the automated traffic offence management system contract in France (the RADAR contract) from mid-June 2016 and of the VOSA contract in the UK public sector, which occurred at end of Q3 2015. The growth of Mobility & e-Transactional Services excluding the negative comparison effect arising from the termination of these two contracts was very satisfactory, solidly in line with the double-digit growth levels of previous quarters. This performance could be achieved thanks:

- To strong sales recorded in *e-Government Collection* (new digitization projects in France and in Austria as well as price increase in Argentina);
- To a double digit growth in *e-Consumer & Mobility*, particularly in Contact & Consumer Cloud in France and in Connected Living in France and Germany;
- To a double digit growth in *e-Ticketing*, both in the United Kingdom (MTIS product rollout and projects for UK rail industry) and in Latin America.

Over the first nine months of 2016, revenue for Mobility & e-Transactional Services was € 281.7 million, stable compared with the similar period last year (**-0.4%** organically).



Third quarter 2016 commercial activity and key achievements

Merchant Services & Terminals

Beyond good volume growth in *Commercial Acquiring* and merchant acceptance, **Merchant Services & Terminals** expanded its customer base, notably with a Pan-European e-acquiring contract with Pizza Hut and through a contract signed with a large French municipality in collaboration with Xerox Business Solutions, providing a transit fare mobile payment system. "Worldline Store Acceptance" solution expanded, in particular with a contract with Franprix Leader Price in France. Regarding the international expansion of the business line, the Group launched an internet payment offer targeted for SMEs into the UK, Worldline's Private Label cards activity kept developing in India with 8 new clients gained during the quarter and an order was received from a major northern European petrol retailer to upgrade its entire park of terminals in 7 countries.

Financial Processing & Software Licensing

Regarding payment security services, the Group's ACS solution kept expanding internationally with new contracts signed with leading French, German, Danish and Philippine banks and Worldline's Trusted Authentication service was sold for the first time in Germany.

Sales of other innovative offerings were also well oriented during the Q3. In Asia, Union Bank of India launched Ucontrol, a service based on Worldline's "Payment modulator", enabling its customers to manage the usage of all their Union Bank of India credit cards from a single mobile application. Last, regarding payment e-wallet, Worldline's HCE-based mobile payment solution will be launched for Visa with four large French banks during the fourth quarter.

To secure further future growth in Issuing processing, a new product was launched targeting small to mid-sized issuers: "Issuing in a click", based on open systems and offering real-time processing, will allow onboarding of new issuers or migrating small and midsize portfolios on an end-to-end service for issuing on Visa and MasterCard, with a particularly very short time-to-market combined with an attractive pricing.

Mobility & e-Transactional Services

In addition to contracts renewals, new clients were signed-up in Q3, notably a large French health insurer for a *Contact* solution. In connected living, the Group has also signed a Usage Base Insurance program (Pay-How-You-Drive Service) with a large German car manufacturer: the solution requires Worldline's data scientists to create, develop and validate new drivers' profile, in co-operation with a local insurer. Commercial activity was dynamic in *e-Government* as well, in particular for a Trusted Digitization solution sold in France to GIP Renater, for which Worldline will build and run a very large secured personal document access platform for middle and high school students.

These signatures confirm the quality of the product roadmap of the Company and perfectly illustrate its growth strategy, which is based, beyond the secular growth trends of non-cash payment in Europe, on international expansion of value added solutions and innovation.

Backlog

At the end of September 2016, **Backlog** was **€1.7 billion**, stable at **1.4 years of revenue**.



Free Cash Flow

Worldline **free cash flow** reached **€ 40.1 million** for the third quarter of 2016. After nine months the free cash flow was € 111.3 million, completely in line with the objectives for the year of between €135 million and € 140 million euros.



Successful completion of the transaction with Equens, Paysquare and KB Smartpay

After the completion of the regulatory processes in the Netherlands, in Belgium and in the Czech Republic, the transactions with Equens, Paysquare and KB Smartpay were finalized on September 30, 2016.

Through these transactions, the enlarged Worldline Group benefits from a unique Pan-European footprint and has increased its revenue size on a full year basis by c.+25%, out of which c.+40% in Commercial Acquiring and c.+65% in Financial Processing.

In particular, for the fourth quarter of 2016, taking into account consolidation eliminations, the contributions of these acquisitions are expected as follows:

- To the Group's revenue: c.+€80 million³ (c.€ 12 million in Merchant Services & Terminals and c.€ 68 million in Financial Processing & Software Licensing); and
- To the Group's OMDA: c.+ € 10 million.
- Positive net contribution to the free cash flow

The merger of the processing businesses of Equens within Worldline resulted in the creation of equensWorldline, which was fully ready to start its operations on October 1, 2016 as an integrated company. The previously communicated synergy plan has been launched immediately and the objective of c.€ 40 million run-rate synergy on the Group's OMDA in 2018 is fully confirmed, out of which c.€ 20 million in 2017.

It is also reminded that an application platforms convergence roadmap will be engaged together with our key clients, to progressively generate additional cost saving opportunities up to a run-rate of c. € 15 million per year by 2021, amount and timing of which to be synchronized with each key Equens clients migration phasing.

With these acquisitions, the business perspectives of Worldline broaden with a significantly reinforced product portfolio, a larger geographical footprint and the additional expertise of c. 1,300 electronic payment experts.

³ Including Paysquare Belgium



2016 Objectives

Regarding the scope before the recent acquisitions (Equens, Paysquare and KB Smartpay consolidated as of October 1st, 2016), the Group confirms its objectives for the full year 2016: revenue organic growth above +3%; OMDA rate improvement of +c. 80 bp vs 2015; and Free Cash Flow generation between €135 million and € 140 million (including the exceptional cash-out linked to the Equens transaction costs (c.€12m)).

The additional contribution from acquired companies in Q4 2016 is expected as follows:

- Revenue: c. +€80 million
- OMDA: c. +€10 million
- Positive net contribution to the free cash flow



Appendix: Statutory revenue to revenue constant scope and exchange rates reconciliation

<i>In € million</i>	Revenue			
	Q3 2015 statutory	Exchange rates effect	Q3 2015*	Q3 2016 actuals
Merchant Services & Terminals	98.6	-1.9	96.7	101.6
Financial Processing & Software Licensing	103.5	-0.4	103.1	107.6
Mobility & e-Transactional Services	103.5	-9.6	93.9	85.1
Worldline	305.6	-11.9	293.7	294.3

* At September 2016 constant scope and average exchange rates

Exchange rate effects reflect mostly the appreciation of the Euro versus the British Pound and the Argentinian Peso. Please note that there was no change in scope compared with the same period last year, Equens, Paysquare and KB Smartpay being consolidated from October 1, 2016.

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



Conference call

Worldline's CEO Gilles Grapinet, along with General Manager Marc-Henri Desportes, and Chief Financial Officer Bruno Vaffier will comment on the Group revenue for the third quarter of 2016 on Wednesday, October 19, 2016 at 6:15pm (CET- Paris).

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

- at worldline.com, in the Investors section
- by smartphones or tablets through the scan of :



Webcast direct link: <http://edge.media-server.com/m/p/o6t4m5is>

- by telephone with the following dial-in:

France	+33 1 76 77 22 28
Germany	+49 69 2999 3286
United Kingdom	+44 20 3427 1906
United States of America	+1 646 254 3365

Code: 6260876

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



Forthcoming event

November 8, 2016 Participation of Worldline to the November 8, 2016 Atos' Investor Day



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About Worldline

Worldline [Euronext: WLN] is the European leader in the payments and transactional services industry. Worldline delivers new-generation services, enabling its customers to offer smooth and innovative solutions to the end consumer. Key actor for B2B2C industries, with over 40 years of experience, Worldline supports and contributes to the success of all businesses and administrative services in a perpetually evolving market. Worldline offers a unique and flexible business model built around a global and growing portfolio, thus enabling end-to-end support. Worldline activities are organized around three axes: Merchant Services & Terminals, Mobility & e-Transactional Services, Financial Processing & Software Licensing including equensWorldline. Worldline employs more than 8,600 people worldwide, with estimated revenue of circa € 1.5 billion on a yearly basis. Worldline is an Atos company. worldline.com



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 April 28, 2016 under the registration number: R.16-031 and its update filed on August 4, 2016 under the registration number D.16-0288-A01.

Revenue organic growth is presented at constant scope and exchange rates. 2016 objectives have been considered with exchange rates as of December 31, 2015.

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 the United Kingdom).

This press release 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.



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