

Atos

2015 Analyst Day

Worldline

On track to take advantage of
regulatory and digital changes in
European payments

Gilles Grapinet

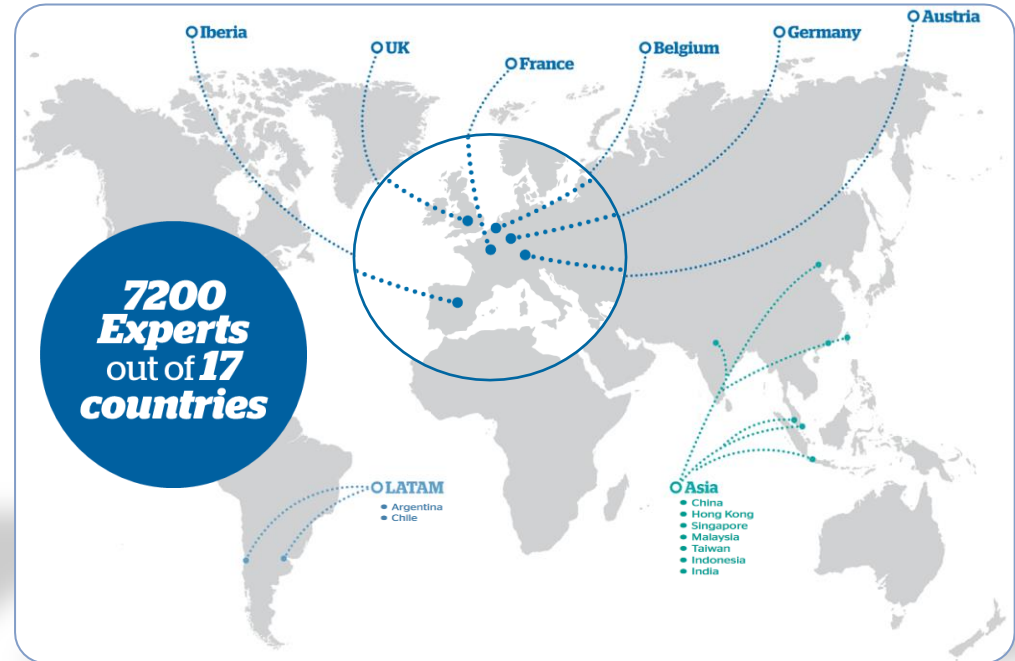
*SEVP Global Functions/CEO Worldline
& team*

ID CARD reminder

Gilles Grapinet
SEVP Global Functions
& CEO Worldline

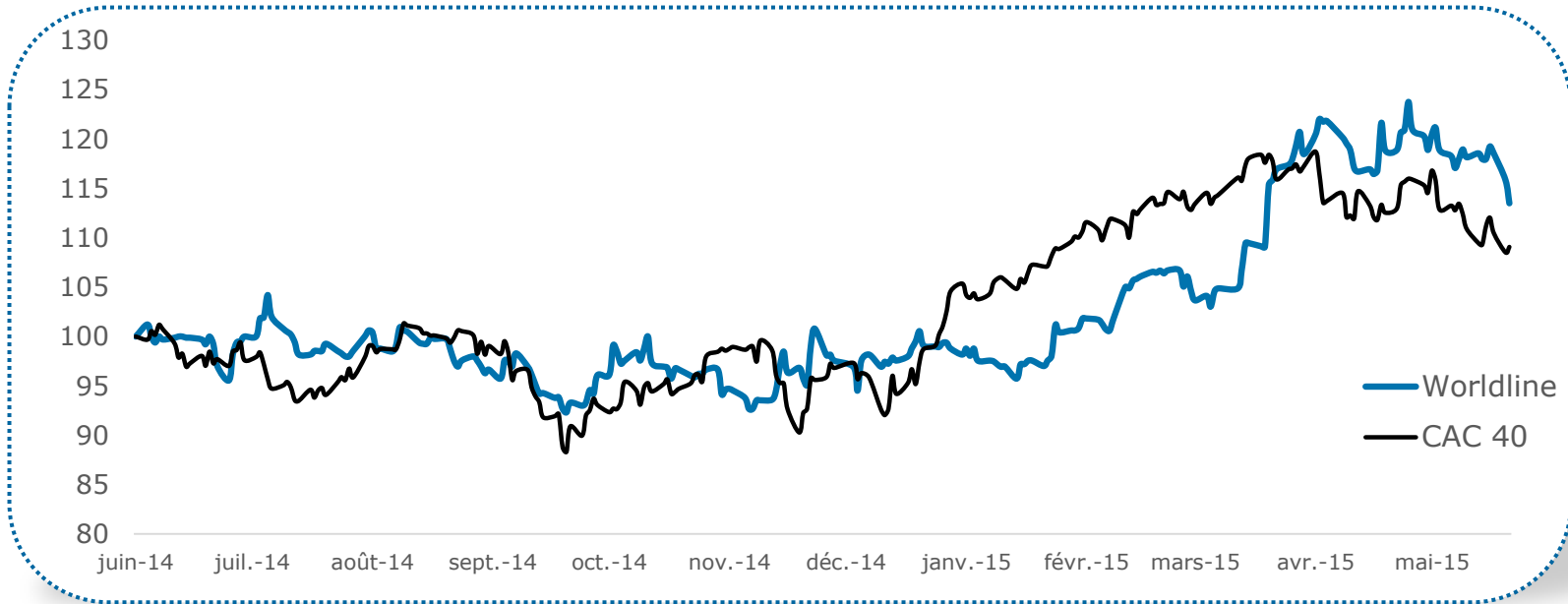
WORLDLINE IS A PROVIDER OF E-PAYMENT PROCESSING AND DIGITAL B2B2C SERVICES

- **17 countries** of direct presence, **7,200 staff** in EU, Asia and LATAM
- 2014 results:
 - **€ 1,149 billion revenue**
(Worldline standalone)
 - **€ 215 million OMDA**
- **Listed** with a **Market Cap of €2.6B** (as of June 12)



● ● ● ● ● Worldline - tomorrow's digital experience

Worldline stock performance: +19% since IPO*

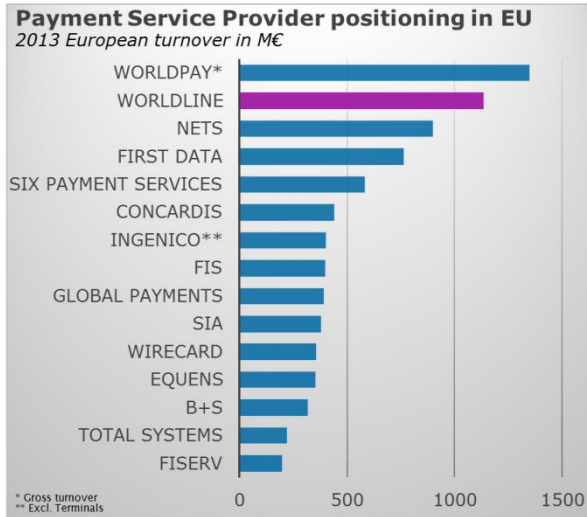


► Overperformance* of Worldline stock vs. CAC 40 by 600bps

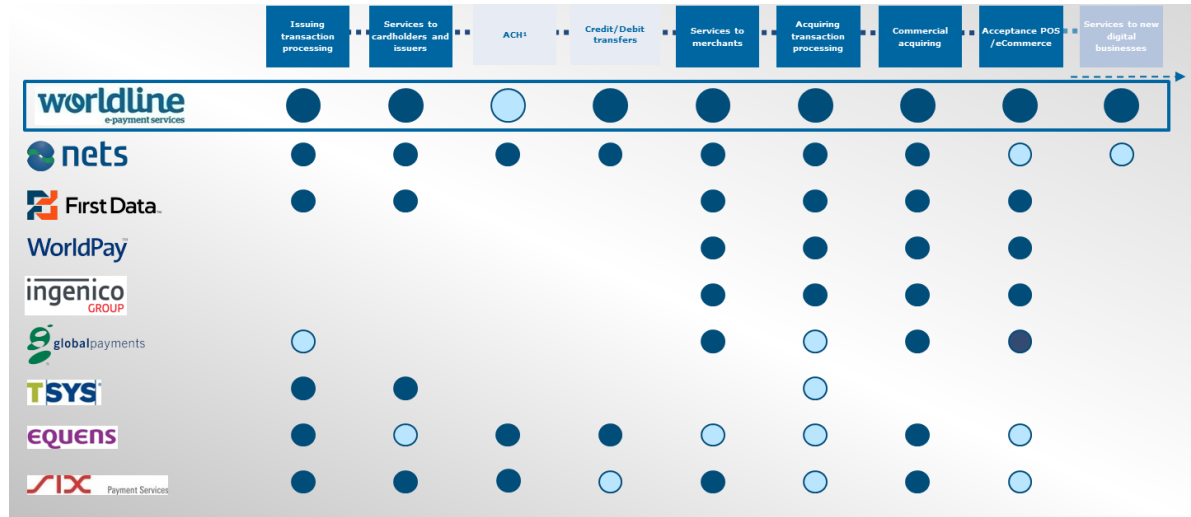
(*): average based on the last 20 trading days

Worldline: European leader in electronic payments

Comprehensive positioning across the payments value chain



Source: Natixis December 2014 estimates



offering



Non-Core offering

#1
Issuing
Processor
in
Germany

#1
Commercial
Acquirer
in
Belgium

Source: Natixis December 2014 estimates

New global organization in place to deliver the globalization strategy and the growth ambition



Merchant Services & Terminals

2014 Revenue: **€ 374 m**

Leveraging the customer engagement



Commercial Acquiring



OnLine Services



Private Label Cards & Loyalty services



Terminals



Financial Processing & Software Licensing

2014 Revenue: **€ 396 m**

Transforming cashless payments



Issuing Processing



Acquiring Processing



onLine Banking



Software Licensing



Mobility & e-Transactional Services

2014 Revenue: **€ 380 m**

Enabling strategic digital transformation



e-Consumer & Mobility



e-Ticketing



Digitization

€1,149.3m

+2.8% organic
Q4 organic growth:
+4.0%

Revenue

€215.1m

18.7%
+50 bp as planned

OMDA (*)

€114.4m

> c.€110m
objective

**Free cash
flow**

€203.1m

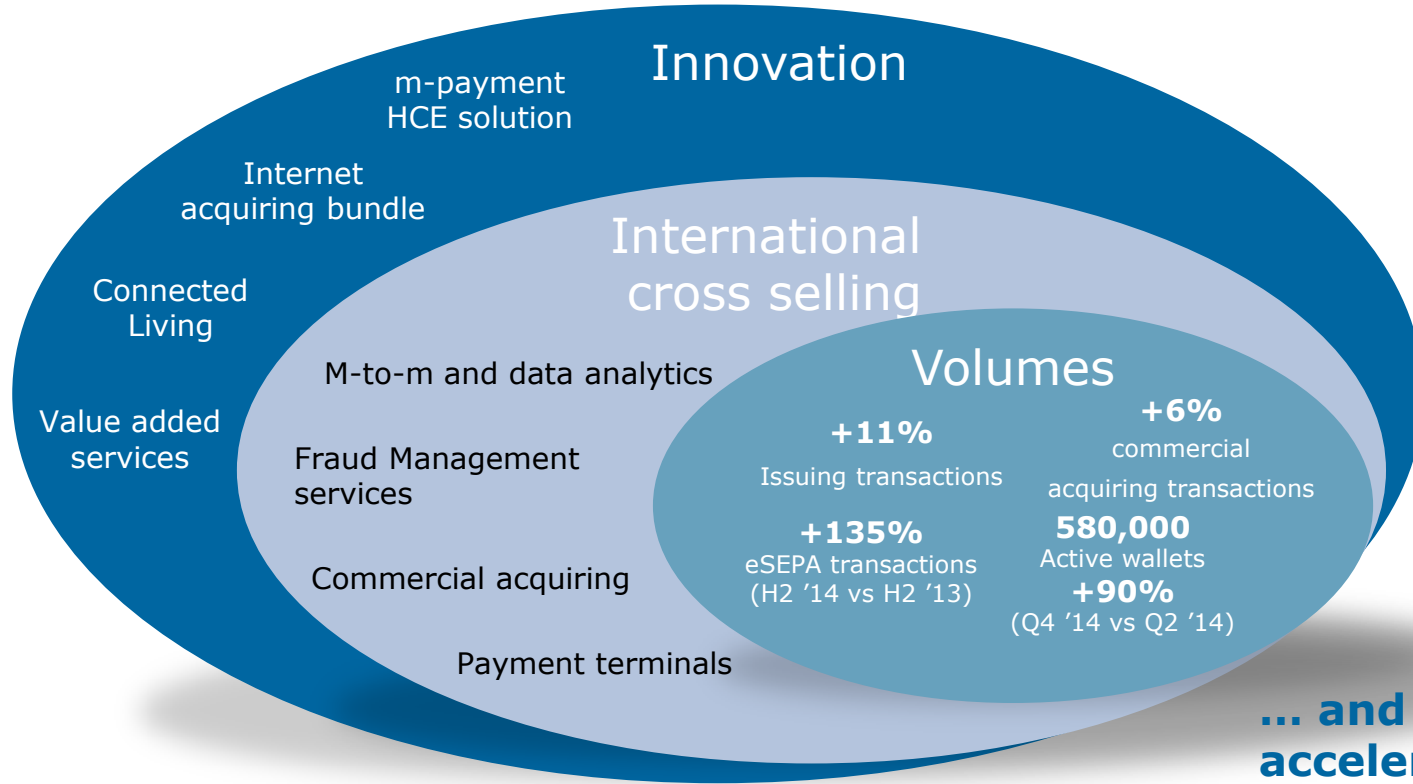
**Net
cash**

€100.4m

**Net
income**

(*): Operating Margin before Depreciation and Amortization

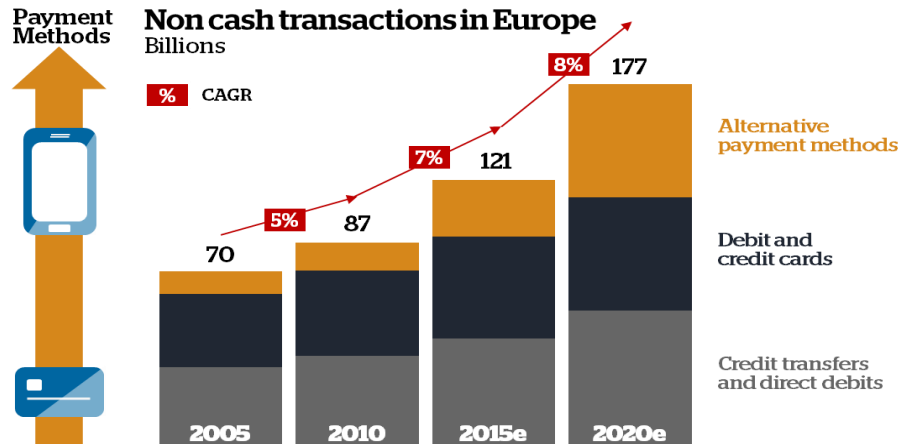
2014 supported by volume growth, innovation and international cross-selling



**... and to further
accelerate in 2015
and beyond**

PAYMENT MARKET VOLUME GROWTH

- ▶ Ubiquitous penetration of electronic payments through **mobility** and **Internet of Things**
- ▶ Growing **3x faster** than total consumer spending



IMPACT OF THE CHANGE IN EUROPEAN REGULATIONS

MIF

Cap on interchange fee

PSD2

Harmonization, consumer protection & rights, obligations for payment providers

SEPA

Open, common standards, industrialization and innovation

EMVco

EMVCo tokenisation: framework for better security

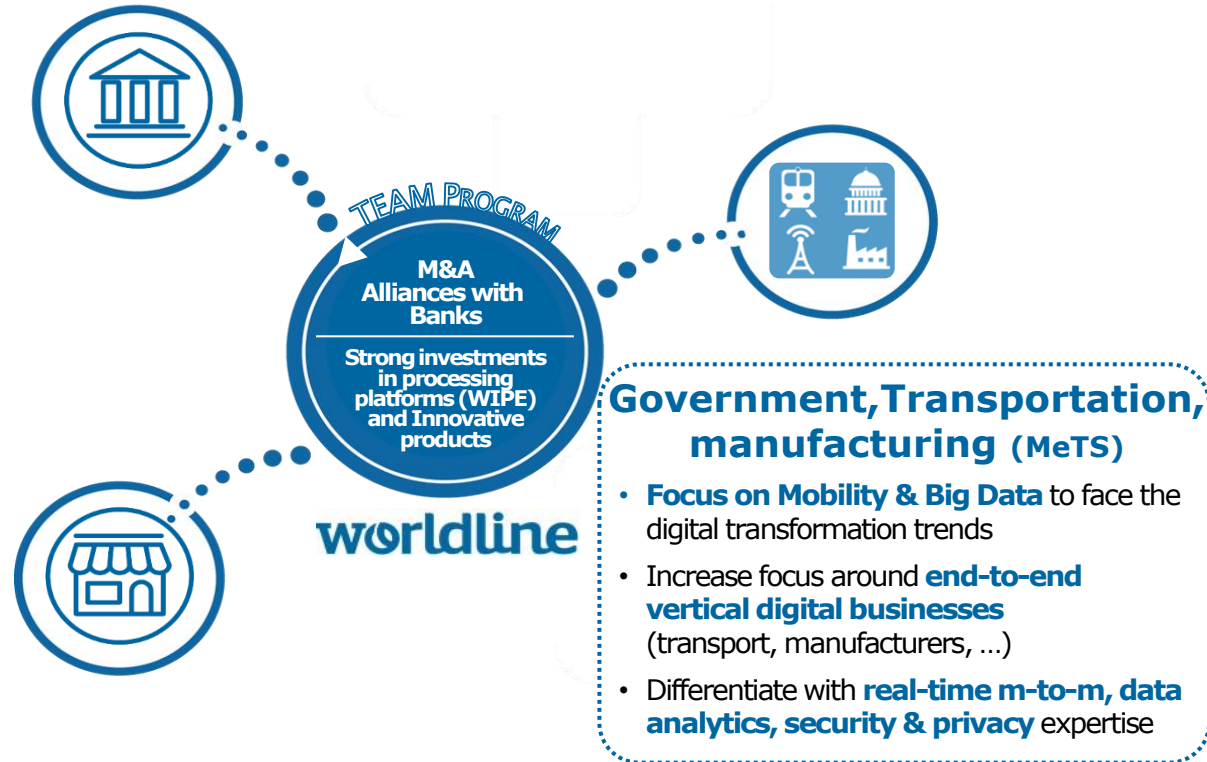
Worldline strategy to take advantage of regulatory and digital changes

Banks (FPL)

- Capture new **outsourcing** opportunities
- **Upsell** with new innovative products on existing customers (strong authentication, payment data analytics,...)
- Consolidate the leadership in **new payment means** (Mobile payment, Wallet, SEPA)

Merchants (MST)

- Capture new **commercial acquiring alliances** with Banks
- Expand **international commercial acquiring**
- Develop **end-to-end digital retail offers**
- Reinforce Worldline's offering in **on-line and mobile payment for merchants**



Key strategic priorities confirmed



2015 and medium term guidance confirmed

	2015 GUIDANCE	MEDIUM-TERM OBJECTIVES
Revenue	4 to 5% organic growth	5 to 7% 2014-2017 organic revenue CAGR Sales growth to progressively increase over the period
OMDA	+c.50 bp vs. 2014	+c.250 bps margin for 2017 vs. 2013
FCF	€120m to €125m	c.€180m by 2017

Enhancing Worldline leadership in the digital payment age

Executing the strategy

Marc Henri Desportes

Worldline General Manager

	Achievements
Boost sales & optimize contract margin	<ul style="list-style-type: none">• New sales operating model• Systematic contract margin reviews• Sales force realignment
Direct workforce optimization	<ul style="list-style-type: none">• Set -up and engaged roll-out of PM & Develop. standardized method• Continuous increase of lean coverage• New ambitious offshore strategy• Workforce management Organization
Production Infrastructure & Customer services globalization	<ul style="list-style-type: none">• Build of global virtualized infrastructure• Data center strategy for APAC / Latam• Start migration plan for Production applications• Definition of Customer Service model
Non personal costs optimization	<ul style="list-style-type: none">• Real estate optimization in France, started in Germany and Benelux• Massification of purchasing



Unique approach on Wallet, HCE, and gradual convergence on Fraud, Issuing and Acquiring back-office, Authorization & Switching, managed by newly created Shared Centres



Standardization on non-functional requirements to improve production robustness and performances

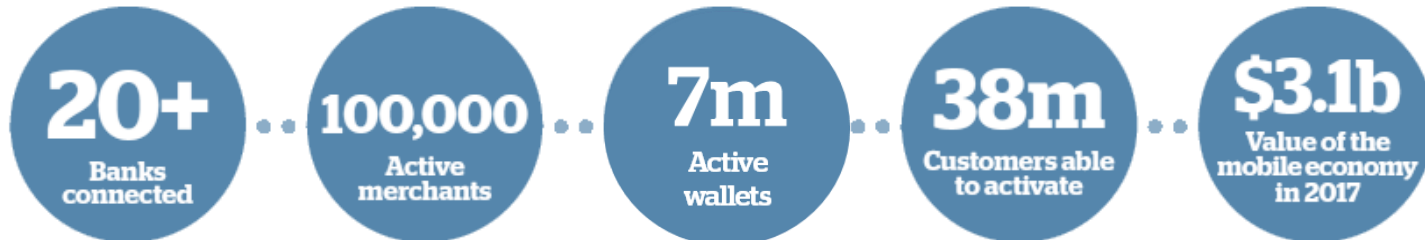


Progressive scope extension of internet assets with acquiring/acceptance bundle, collecting and marketplace solutions, fast on-boarding and extend self-care functions

In the m-payment transformation, Worldline is today the undisputed EU leader of Wallet Solution Providers for banks

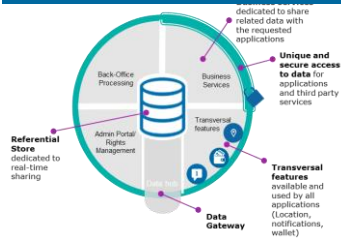


c.10M€
investments



Worldline has a unique combination of assets for these new services...

DIGITAL PLATFORM



- **Omni-commerce core**
- **Referential store** dedicated to share information and data **in real-time** across all applications
- **Contextual services**

CRM & BI



- **Gather/consolidate consumer data** with current context and 3rd party data
- Suggest **relevant offers and digital content**
- **Possible integration** into existing Apps

MOBILE SELLER SOLUTIONS



- **mSeller software**
- **mPOS secure PinPad and related Apps**
- **Bundle mPOS/Acceptance/Acquiring**
- **Fraud management**

MERCHANT WALLET



- **Leading European Wallet solution provider** with 7M of active wallets
- **True wallet** (not just a card container) **with a strong authentication** with scoring **enabling a true one-click ordering**
- **Tokenizer included**
- **Bundle with acquiring**

CONNECTED STORE SERVICES



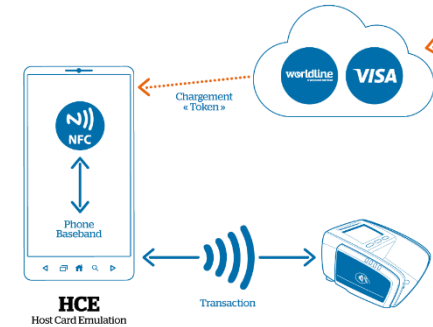
- **Full customer engagement with omni-channel services allowing transactions** (Promotional wall, Virtual Shop...)
- **Fully on-line services management**

CENTRAL ACCEPTANCE



- **Cross-canal** payment acceptance
- **Unified reporting** including all channels and devices
- **Statistics, analytics** per channel
- Processing **60K€** per min

With some large successes in the Banking areas...



And a promising evolution in the merchant wallet area...



Winning with our assets, business know-how and client relationships

Conclusion & next steps

Thierry Breton
Chairman and CEO

- 1 | 2016 Ambition new targets in our hands**
- 2 | Atos now ambitions to double net income Group share over 2 years**
- 3 | A solid platform to capture the potential of the largest ITO market in the US**
- 4 | Strong reinforcement of our technologies and skills**
- 5 | Already preparing the future**

Atos

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