

Third quarter 2017 revenue

Strong revenue growth in Q3

Revenue: € 386 million
+33.0% growth at constant exchange rates
Up +6.3% organically

Digital River World Payments and First Data Baltics transactions closed

All 2017 objectives confirmed

Bezons, October 23rd, 2017 – Worldline [Euronext: WLN], European leader in the payments and transactional services industry, today announced its revenue for the third quarter of 2017.

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Gilles Grapinet, Worldline CEO said:

“Worldline reports today a strong revenue growth at +6.3%, in line with our full year ambitions, benefiting from solid payment transaction volume increase, significant project activity in processing for card and non card payments in equensWorldline, as well as from the ramp-up of recently signed contracts in Mobility & e-Transactional Services.

I am also pleased to report that Worldline has already closed the two acquisitions announced in July (Digital River World Payments and First Data Baltics) and that integration activities have already started as per Worldline and Atos proven Day-1 Readiness methodology. In addition, we also announced the acquisition of the Indian Service Provider MRL Posnet early October, which closing is planned in the days to come. After these three acquisitions, Worldline keeps intact its strong financial capacity to pursue its development strategy.

These transactions demonstrate the dedication of the company and its management team to keep playing, as part of its 2017-19 strategic plan, a pivotal role in the consolidation of the payment industry.”

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For the analysis of the Group's performance, revenue for the third quarter of 2017 is compared with the third quarter 2016 at constant scope and exchange rates. Performance for the third quarter and for the first nine months of 2017, on a like-for-like basis compared with last year, was as follows:

2017 third quarter and first nine months revenue

<i>In € million</i>	Revenue Q3			
	Q3 2017	Q3 2016*	Var.	Organic Growth
Merchant Services	128.5	121.7	+6.8	+5.6%
Financial Services	171.0	159.5	+11.5	+7.2%
Mobility & e-Transactional Services	86.2	81.8	+4.4	+5.4%
Worldline	385.6	362.9	+22.7	+6.3%

* At September 2017 constant scope and YTD average exchange rates

<i>In € million</i>	Revenue 9 months			
	Sep YTD 2017	Sep YTD 2016*	Var.	Organic Growth
Merchant Services	389.3	369.5	+19.8	+5.4%
Financial Services	516.1	486.1	+30.0	+6.2%
Mobility & e-Transactional Services	258.3	272.4	-14.1	-5.2%
Worldline	1,163.7	1,128.0	+35.7	+3.2%

* At September 2017 constant scope and YTD average exchange rates

During the **third quarter of 2017**, Worldline's revenue was at **€ 385.6 million**, increasing by +33.0% at constant exchange rates and **+6.3%** organically compared with the third quarter of 2016. Revenue growth accelerated sequentially as planned compared with the growth rate reported in H1 2017 (which was +1.7%), as the negative comparative effect arising from the termination of the RADAR contract in June 2016 ended in June 2017.

Over the first nine months of 2017, Worldline's revenue was **€ 1,163.7 million**, up +29.6% at constant exchange rates and **+3.2%** organically.

Merchant Services revenue stood at **€ 128.5 million** during the third quarter of 2017, growing organically by €+6.8 million or **+5.6%** at constant scope and exchange rates.

- The growth mainly came from *Merchant Payment Services*, which benefitted from a strong momentum in India with the demonetization impact leading to higher volumes of transactions, and positive business trends in Belgium as well as at PaySquare (in the Netherlands and in Germany) and at KB SmartPay (in the Czech Republic).
- *Merchant Digital Services* was close to stability due to less project activity in the quarter, particularly in France.

Merchant Services revenue growth was **+5.4%** organically **over the first nine months of 2017**, reaching € 389.3 million.

Q3 2017 revenue for **Financial Services** reached **€ 171.0 million**, up **+7.2%** organically (€+11.5 million). All four business divisions contributed to that growth:

- Revenue in *Issuing Processing* grew, pulled by increased volume of card transactions as well as strong increase in authentication services (ACS, 3D Secure);
- *Acquiring Processing* was also particularly dynamic during the period, thanks to more volume and projects;
- *Digital Banking* grew mainly thanks to continued development and good fertilization on project related business in France and in the United Kingdom; and
- Revenue in *Accounts Payments* increased thanks notably to more volumes on the iDeal payment scheme in the Netherlands and the start of revenue from the migration of new clients to the new "Payment 2.0" platform.

Over the first nine months of 2017, revenue for Financial Services was € 516.1 million, up **+6.2% organically**.

Revenue in **Mobility & e-Transactional Services** was **€ 86.2 million**, increasing by **+5.4%** or €+4.4 million. This performance could be achieved thanks:

- To a strong activity in *Trusted Digitization*, particularly with more revenue from various projects with French government agencies and in Latin America in healthcare transactional services and tax collection; and
- To strong sales recorded in *e-Consumer & Mobility* thanks to the ramp up of projects in France and in Germany; while
- *e-Ticketing* was temporarily affected by lower projects delivered in the United Kingdom for rail transport companies.

Over the first nine months of 2017, revenue for Mobility & e-Transactional Services was € 258.3 million, **-5.2%** compared with the similar period last year.



Third quarter 2017 commercial activity and key achievements

Merchant Services

In Merchant Services, Worldline India has renewed contracts with two key clients: Axis Bank and Bobcards.

Also, the existing contract with Trinity Purchasing, a leading company specialized in hospitality purchasing services, was extended to the Nordics: through this new agreement, Worldline will have the opportunity to provide end-to-end payment acceptance services (commercial acquiring, payment terminals, DCC, connected hotel solutions) to 1,200 hotels throughout Europe.

Regarding online payment acceptance, Worldline implemented a P2P payment acceptance solution for a leading global customer. Also, significant contracts were renewed in Private Label Cards & Loyalty Services in Spain and in France.

Last, fast commercial development is recorded for the newly launched VALINA unattended payment terminal.

Financial Services

In addition to several key processing contract renewals and extensions, a new *Issuing Processing* contract was signed with a Belgium bank during the quarter.

Regarding the deployment of new payment means or form factors:

- A leading Finnish bank will implement equensWorldline HCE mobile payment solution;
- Issuer wallet (e.g. Paylib, Bancontact) transaction volumes reached an all-time high in July, with 3.5 times the 2016 volumes;
- Worldline provides iOS mobile banking services to a leading bank in France; and
- Worldline won a first significant contract with a major financial institution for PSD2 implementation and related services.

In terms of new products, Worldline new IBO (Issuing Back Office) module will be implemented for a Belgium and a German bank in 2018 and the new 3D Secure platform (ACS 3.0) is now live with many migration projects from earlier versions to come.

Last, equensWorldline won two awards at the "Banque & Innovation Summit" in France for:

- *Worldline Authentication Process Management*, which manages the authentication process for electronic card payments, non-card payments, access to account and fully complies with the PSD2 RTS requirements for exemption management, risk based authentication, authentication workflow and enhanced reporting; and
- *Worldline Trusted Interactions* that allows banks and insurance companies to create a relationship of trust with their clients, based on electronic messaging and document sharing.

Mobility & e-Transactional Services

Order entry in Mobility & e-Transactional Services has been very healthy, with in particular:

- A contract signed end of Q2 2017 for the provision of a new highly secured real time and mutualized solution for the "SAMU", the French nationwide medical emergency call center organization, which will enable a better management and real time dispatch of incoming calls during sanitary crisis as well as secured traceability and archiving of all related transactions;
- The renewal of a secured Cloud Contact Center contract, Worldline's state of the art omni-channel customer interaction platform, for a large French e-Retailer; and
- The renewal of the contract for the secured management of the French Personal Medical Record.
- Last, Worldline has signed a 5 year contract renewal for the operation of a Digitized Tax Verification, Excise Warehouse Management and Track & Trace system. The renewal allows Swiss industry and authorities to intensify their fight against counterfeiting and smuggling. The system, which is based on Worldline's Track & Trace solution, protects the value chain of over 350 million products per year.

Backlog

Backlog remained high at **€ 2.6 billion**.



Implementation of IFRS 15

IFRS 15 accounting standard "Revenue from contracts with customers" is applicable from January 1, 2018 onwards.

The Group has estimated the impact from the adoption of IFRS 15 at circa -2.5% on 2017 estimated revenue and circa +50 basis points on 2017 estimated OMDA rate. Obviously, no effect is anticipated on OMDA and on Free Cash Flow amounts.

Final effect on 2017 figures linked to the adoption of IFRS 15 will be published together with the 2017 full year result publication in February next year .



2017 Objectives

Regarding the scope before the recent acquisitions (First Data Baltics, consolidated from October 1, 2017 and Digital River World Payments from November 1, 2017) the Group confirms its objectives for the full year 2017: revenue organic growth between +3.5% and +4%, OMDA rate above 20.5%, and Free Cash Flow generation above € 170 million including c.€20 million of synergy implementation costs.

The additional contribution from First Data Baltics and Digital River World Payments during Q4 2017 is expected as follows:

- Revenue: c. +€ 9 million
- OMDA: c. +€ 2 million
- Positive net contribution to the free cash flow



2017 – 2019 Objectives (reminder)

During its last Investor Day held on October 3rd, 2017, Worldline raised all its objectives for the 2017-2019 period as follows:

- Revenue organic growth: after 3.5% to 4% for 2017, 5% to 7% for 2018 and 6% to 8% for 2019;
- OMDA margin: Above 22.5% in 2019, which corresponds to an improvement of above +400 basis points compared with 2016¹;
- Free cash flow: € 230 million to € 245 million in 2019.

¹ 18.5% OMDA margin, 2016 pro forma accounts

Appendix:

Statutory revenue to revenue constant scope and exchange rates reconciliation

<i>In € million</i>	Revenue		
	Q3 2017	Q3 2016	Change
Statutory revenue	385.6	294.3	+31.0%
Exchange rates effect	-	4.3	
Revenue at constant exchange rates	385.6	290.0	+33.0%
Scope effect		72.9	
Exchange rates effect on acquired/disposed scope		-	
Revenue at constant scope and exchange rates	385.6	362.9	+6.3%

<i>In € million</i>	Revenue		
	Sept YTD 2017	Sept YTD 2016	Change
Statutory revenue	1,163.7	909.1	+28.0%
Exchange rates effect	-	10.8	
Revenue at constant exchange rates	1,163.7	898.2	+29.6%
Scope effect		229.7	
Exchange rates effect on acquired/disposed scope		-	
Revenue at constant scope and exchange rates	1,163.7	1,128.0	+3.2%

Q3 2016 statutory revenue to revenue constant scope and exchange rates reconciliation by Global Business Line

<i>In € million</i>	Revenue				
	Q3 2016	Scope effect	Internal Transfers	Exchange rates effect	Q3 2016*
Merchant Services	101.6	+15.8	+4.8	-0.5	121.7
Financial Services	107.6	+57.6	-4.8	-0.9	159.5
Mobility & e-Transactional Services	85.1	-0.5		-2.9	81.8
Worldline	294.3	+72.9	0	-4.3	362.9

* At constant scope and Sep 2017 YTD exchange rates



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Revenue organic growth is presented at constant scope and exchange rates. Operating margin before amortization and depreciation (OMDA) is presented as defined in the 2016 Registration Document.

Global Business Lines include Merchant Services (in Belgium, Czech Republic, France, Germany, India, Luxembourg, Poland, Spain, The Netherlands, Slovakia, Sweden and United Kingdom), Financial Services (in Belgium, China, Estonia, France, Germany, Latvia, Lithuania, Finland, Hong Kong, Indonesia, Italy, Malaysia, Singapore, Spain, The Netherlands and Taiwan), and Mobility & e-Transactional Services (in Argentina, Austria, Belgium, Chile, France, Germany, Spain, and the United Kingdom).



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