

Agenda

Paul Galant
Vision

Driven by clients' current and future needs

Vin D'Agostino
Strategy

Defining market dynamics and strategy for growth

Glen Robson
Solutions

Launching next-generation, client-centric devices and services

Joe Mach
June Felix
Carlos Lima
Steve Aliferis
Regional Leadership

Delivering global solutions locally

Sheetal Shah
Operations

Increasing efficiency and discipline




Marc Rothman
Finance

Driving improved results and delivering greater shareholder value








Our strategy is shaped by market forces impacting our clients and our key assets

Forces impacting our clients

-  Acceleration away from cash to electronic payments
-  Proliferation of POS solutions
-  Increasing complexity of consumer payments
-  Convergence of payments and commerce
-  Growing consumer expectation for omni-channel experiences

Our Strategy

Verifone's key assets

-  A trusted **brand**
-  Differentiated relationship management, product and engineering **talent**
-  Deep **experience** in payments security and regulations
-  Global **scale** and local execution
-  Comprehensive portfolio of **devices and services**





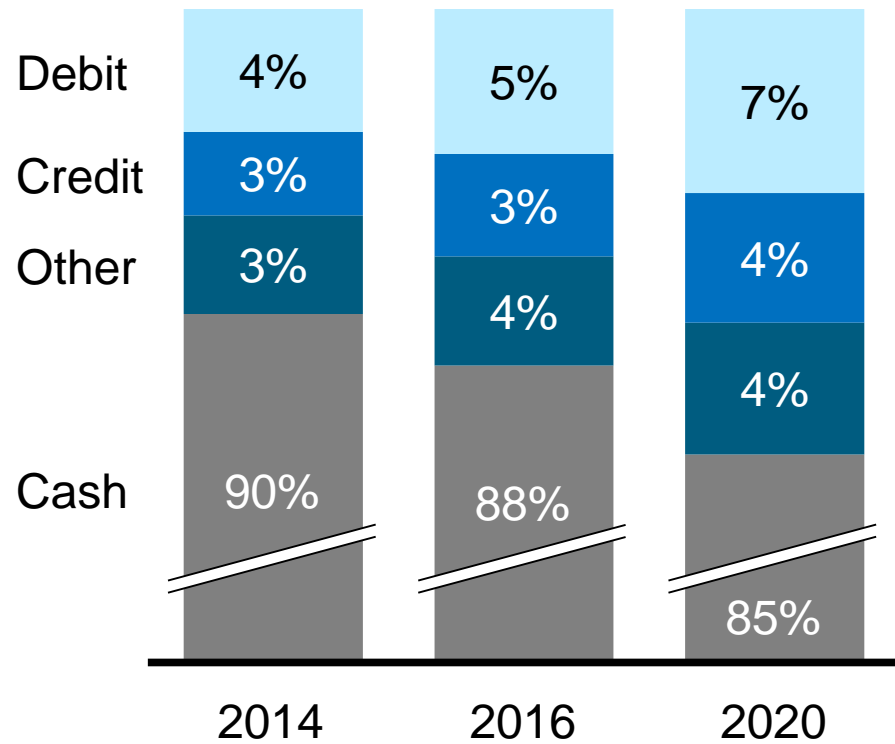
OUR STRATEGY

Build next-generation devices and connect them with our expanded services to enable the future of payments and commerce

1 Acceleration away from cash to electronic payments

Card payments are growing

Consumer transactions by type



Drivers of the shift

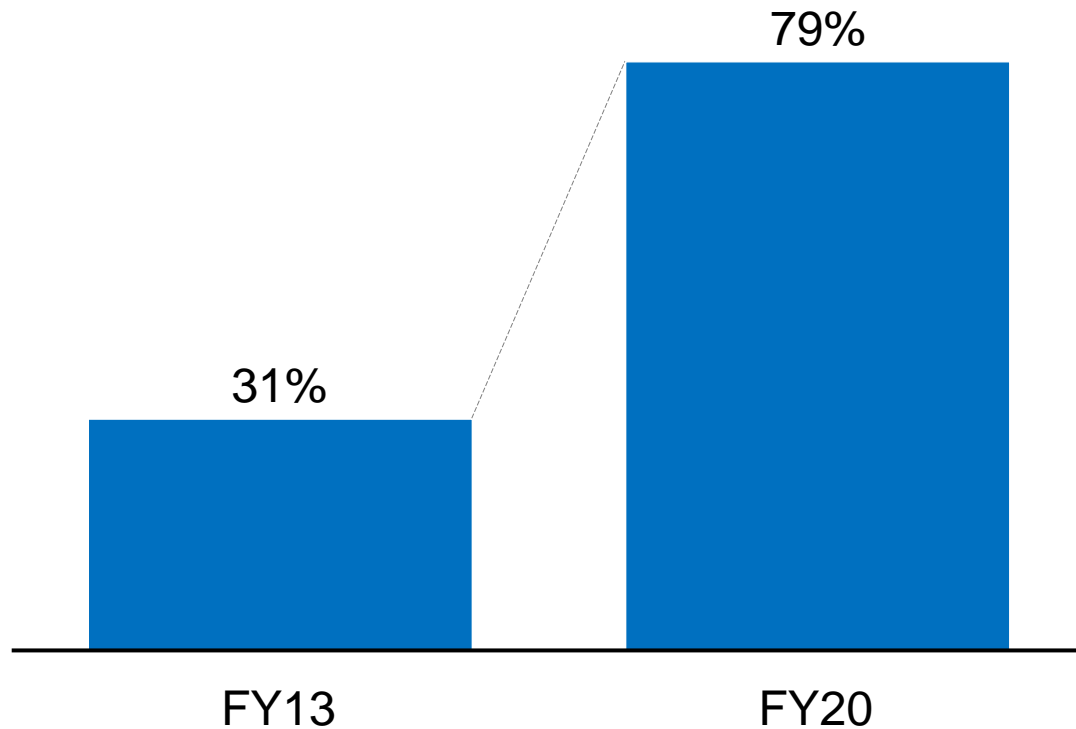
- **Growing consumer income** (e.g., urban consumer income in China growing 4% per annum)
- **Modernizing payment systems** (e.g., cashless initiatives in Thailand, Indonesia)
- **Growing financial inclusion** (e.g., World Bank Universal Financial Access 2020 initiative)
- **Expanding fiscalization** (e.g., Turkey directive on tax office communications)
- **Demonetizing paper currency** (e.g., India ceasing usage of ₹500 and ₹1,000 notes)

Growing use of electronic payments is increasing demand for payment devices and services



2 Proliferation of POS solutions

~80% of US retailers are projected to have implemented mPOS/iPOS in some form by FY20



Drivers of the shift

- Larger merchants looking for **new checkout solutions** to create **new personalized shopping experiences** for their consumers
- Small merchants who view mPOS/iPOS as an **appealing, lower-cost alternative**

Large and small merchants are **increasing their demand for new types of payment devices**



3 Increasing complexity of consumer payments

1

New payment types are expanding with increases in cross-border commerce and the rise of digital wallets



2

Payment formats are expanding as payment becomes embedded into different devices



3

Security challenges and new regulatory requirements are raising the bar in payments



Clients are seeking a **technology partner** who can help navigate the complex payments landscape



4 Convergence of payments and commerce

Merchant services providers

Payments and Financial Services



Loyalty and Incentives



Targeted Marketing



Convergence creates demand for next-generation devices and services



5 Growing consumer expectation for omni-channel experiences



Businesses are moving from silo-channel to omni-channel



Single-channel



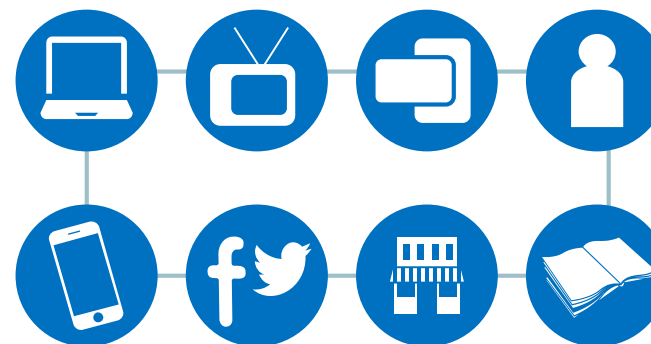
No e-commerce channel, traditional stores

Silo-channel



e-commerce channel and stores exist next to each other

Omni-channel



e-commerce channel closely integrated with store network

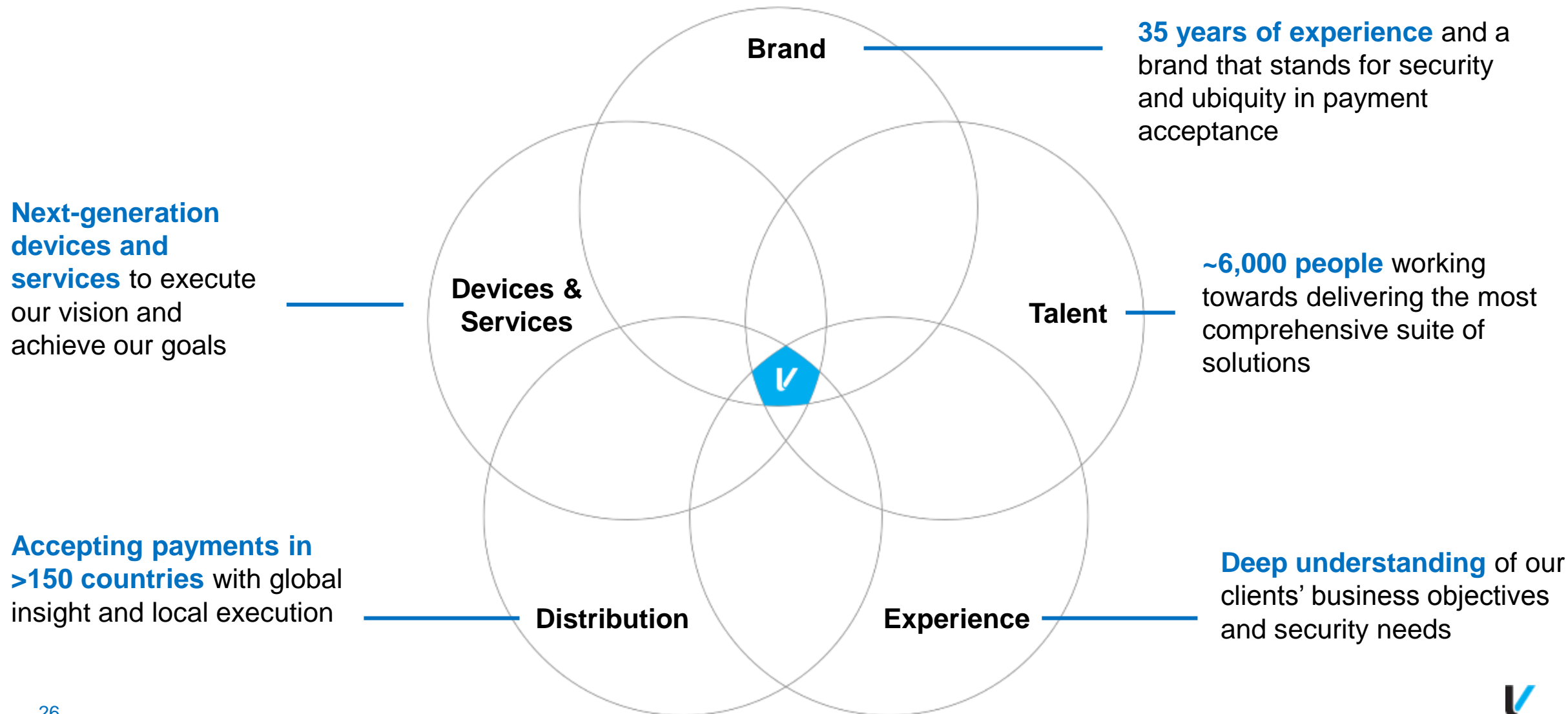
Omni-channel requires the **integration and inter-operability** of card-present and card-not-present solutions

Lower complexity

Higher complexity








Verifone's key assets position us to provide solutions to our clients as they navigate these market forces



Leveraging our assets to solve clients' opportunities and challenges by launching next-generation devices...

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-  Convergence of payments and commerce
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Scaling next-generation devices

Engage



E-series



Value



Carbon



Our key assets



A trusted **brand**



Differentiated relationship management, product and engineering **talent**



Deep **experience** in payments security and regulations



Global **scale** partnered with local execution








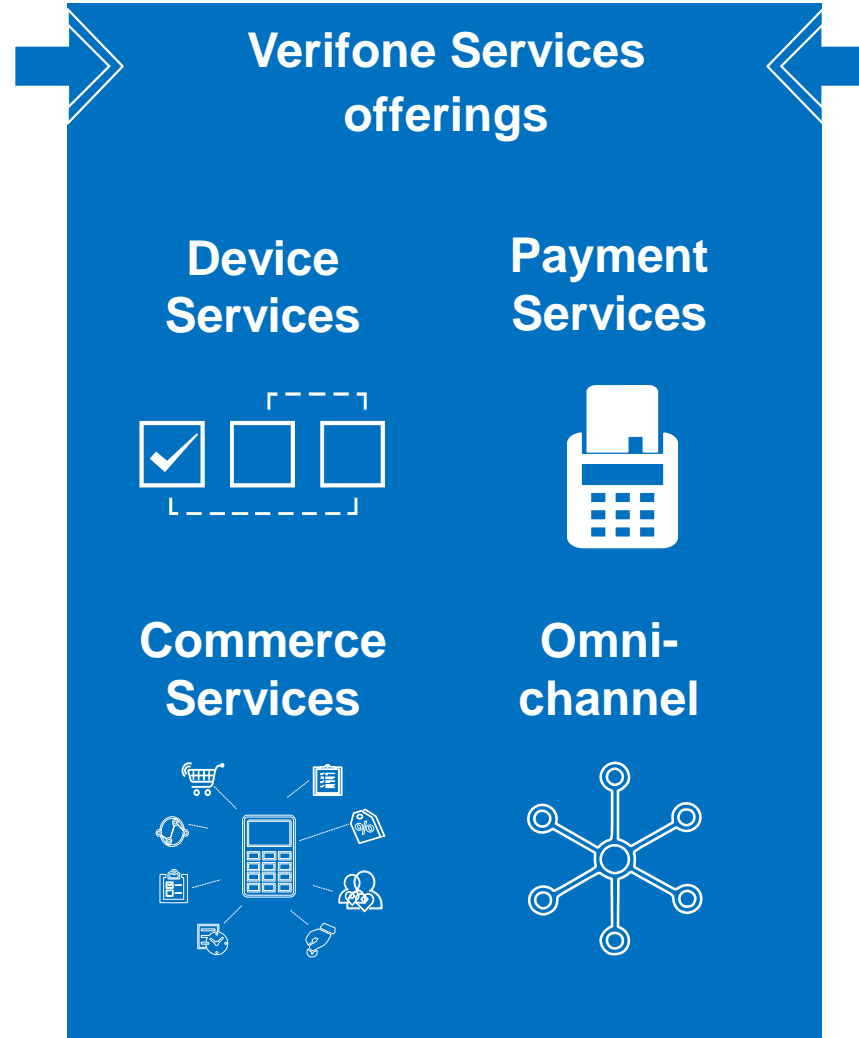
Comprehensive portfolio of **devices and services**



... and connecting our clients to Verifone Services platform to enable the future of payments and commerce

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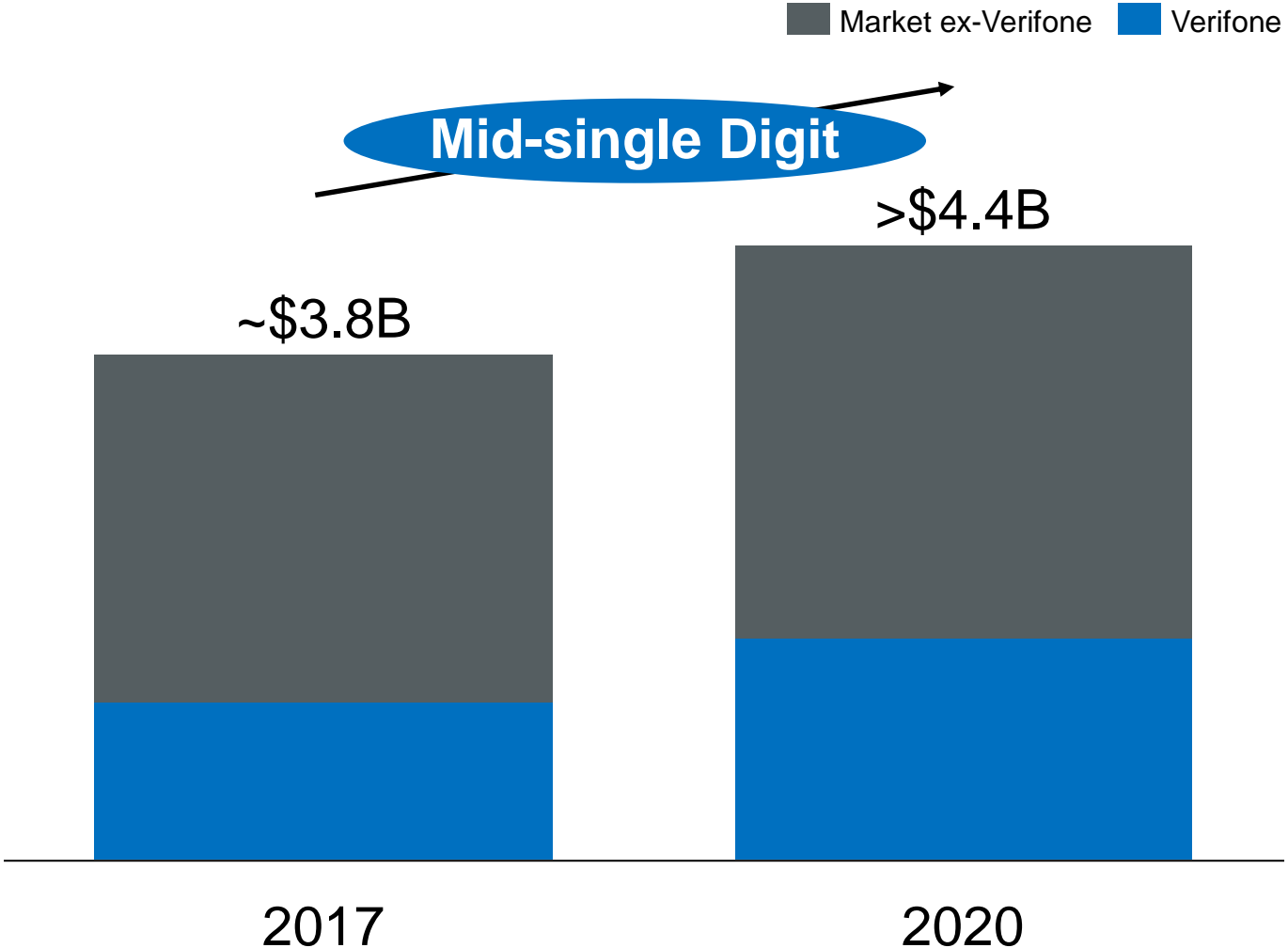


By executing this strategy, Verifone's next-generation devices will capture a larger share of the overall device market...

Mature markets are expanding as economies grow and merchants embrace evolving payment standards such as PCI and EMV

Emerging market growth lead by government mandates such as fiscalization and demonetization

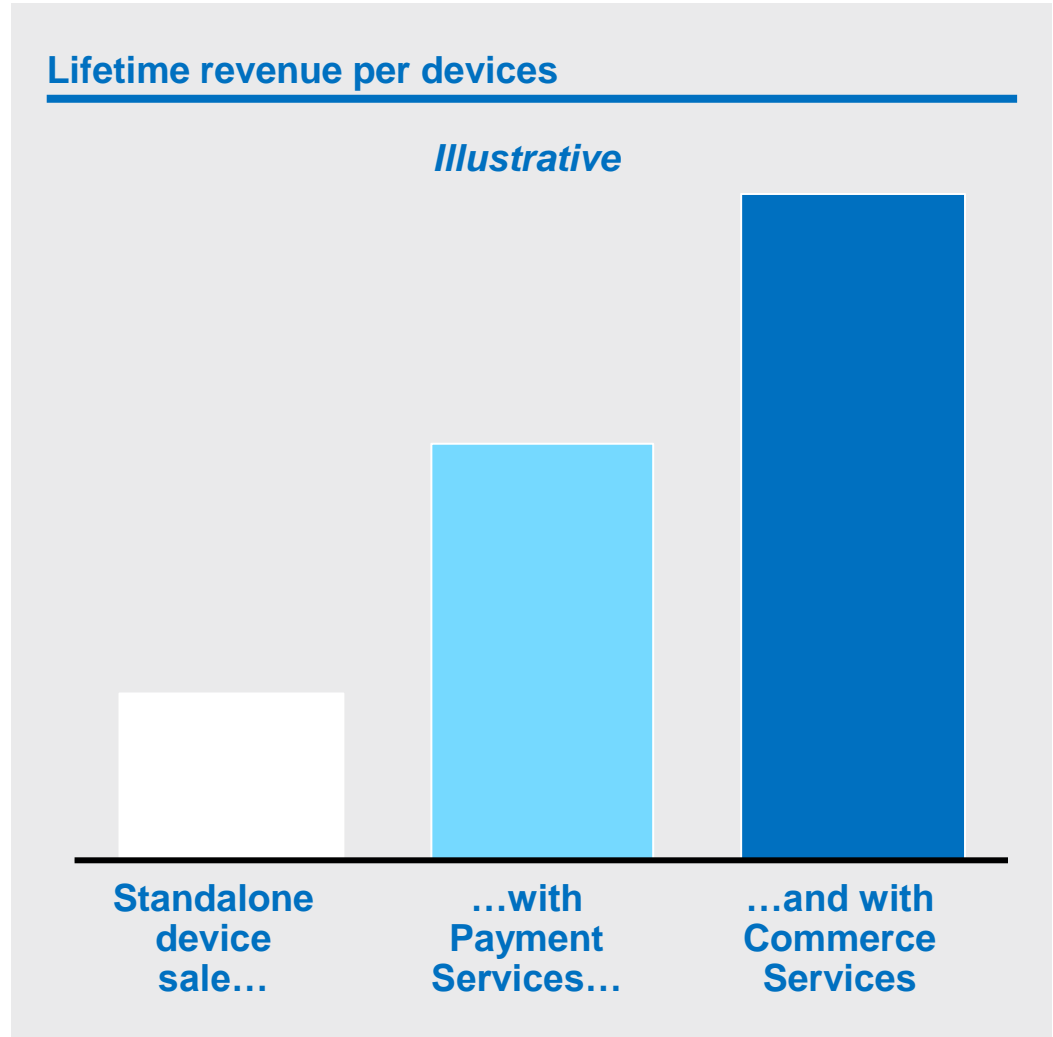
Global growth in new product segments such as iPOS and mPOS



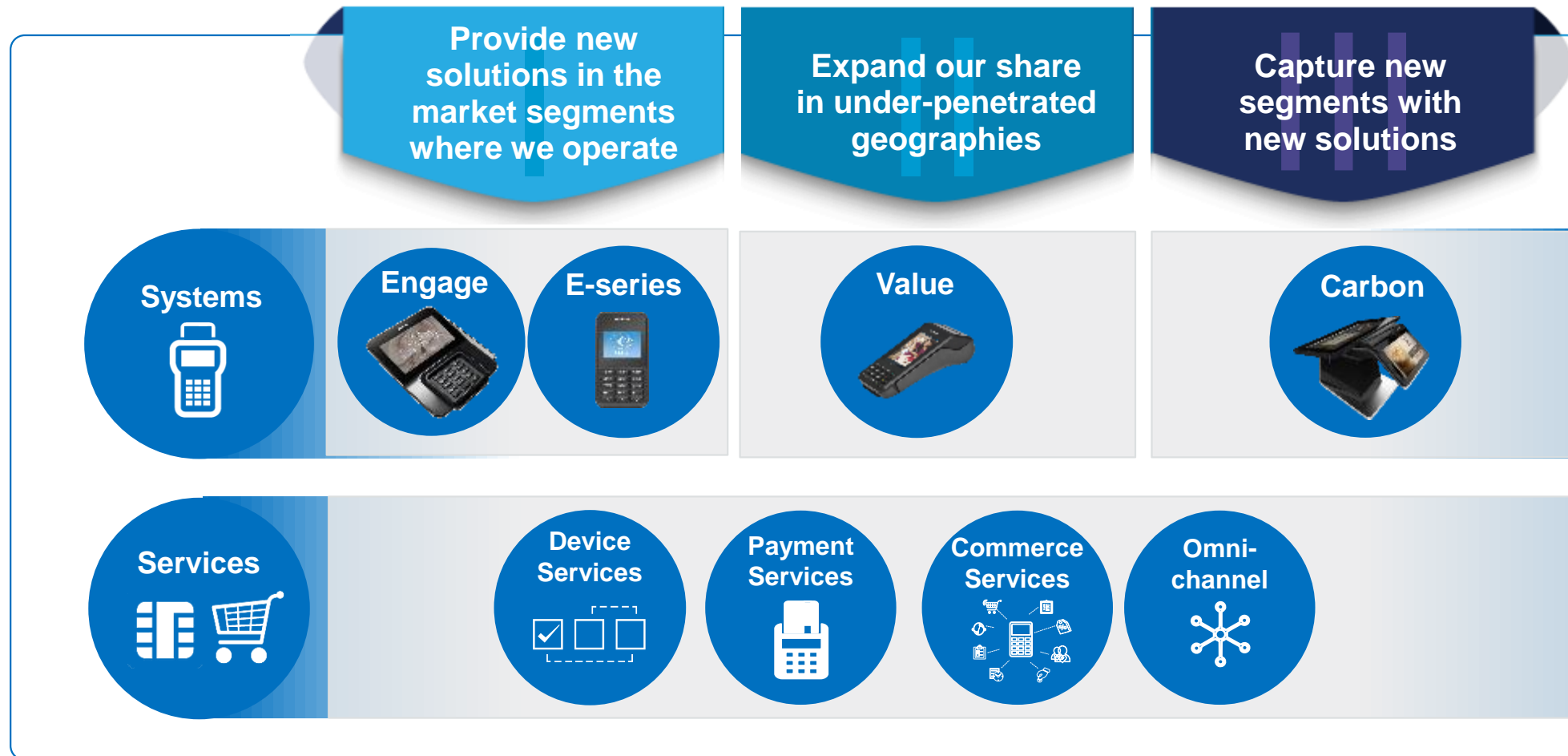
Sources: ABI Research, Verifone estimates, TAMS



... and, combined with our new services platform, deliver complete solutions to increase our lifetime revenue per device



Our success provides a foundation from which we will establish three pillars of growth...



...and generates revenue growth

Systems
Revenue
Growth
+4-5%

Total
Revenue
Growth
+5-6%



Services
Revenue
Growth
+7-8%

