



We're a **tech company**  
redefining payments

# Capital Markets Day

April 12, 2019

**adyen**

Business. Not boundaries.

# Agenda

Agenda item	Presenters
Introduction	Pieter van der Does
Product & Platform	Brian Dammeir & Edgar Verschuur
Technology	Michiel Toneman
Sales & Marketing	Pieter van der Does
Lunch	12:00 - 13:00
Team & Culture	Martine Buis
Financials	Ingo Uytdehaage
Growth Strategy	Pieter van der Does
Q & A	All

# Today's presenters



**Pieter van der Does**  
Co-founder & CEO



**Ingo Uytdehaage**  
CFO



**Martine Buis**  
HR Director



**Michiel Toneman**  
SVP System Architecture



**Brian Dammeir**  
Head of Product

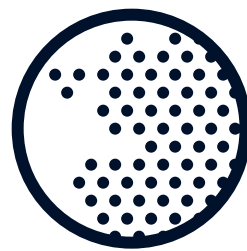


**Edgar Verschuur**  
Head of Global Acquiring

# Adyen at a glance



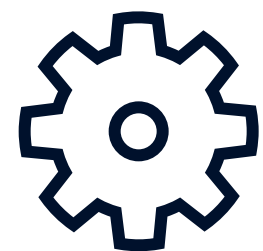
**Single global platform**



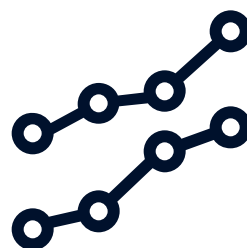
**\$21 Tn + (1)**  
Global market



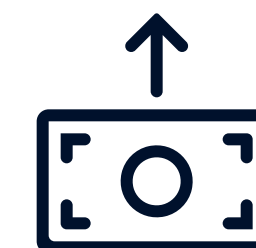
**Trusted partner** of the  
world's leading companies



**€159 Bn**  
Processed volume in 2018



**49% Net Revenue growth YoY**  
€349 MM Net Revenue in 2018



**52% EBITDA margin**  
in 2018<sup>(2)</sup>

1. The Nilson Report – Total Global Card Purchases in 2016.  
2. EBITDA Margin defined as the ratio of EBITDA and Net Revenue.

## Adyen's Purpose

Help our  
merchants grow

## Adyen's Purpose

Change the  
payments industry

**Adyen's Purpose**

and have fun  
while doing it



A woman with long, wavy brown hair, wearing a white ribbed turtleneck and a dark blue apron, is focused on her work. She is leaning over a glass display case, with her hands resting on the surface. The background is a brightly lit, modern interior with large windows and blurred greenery. The overall atmosphere is professional and clean.

# Product & Platform

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# The power of one platform



# Resulting in four key benefits

1. Global reach
2. Unified commerce
3. Data enablement
4. Ongoing innovation



An aerial photograph of a city street, likely in New York City, showing a dense grid of buildings and a busy road with many yellow taxis. A large, semi-transparent green shape is overlaid on the left side of the image. The text "Global reach" is centered in the middle of the image.

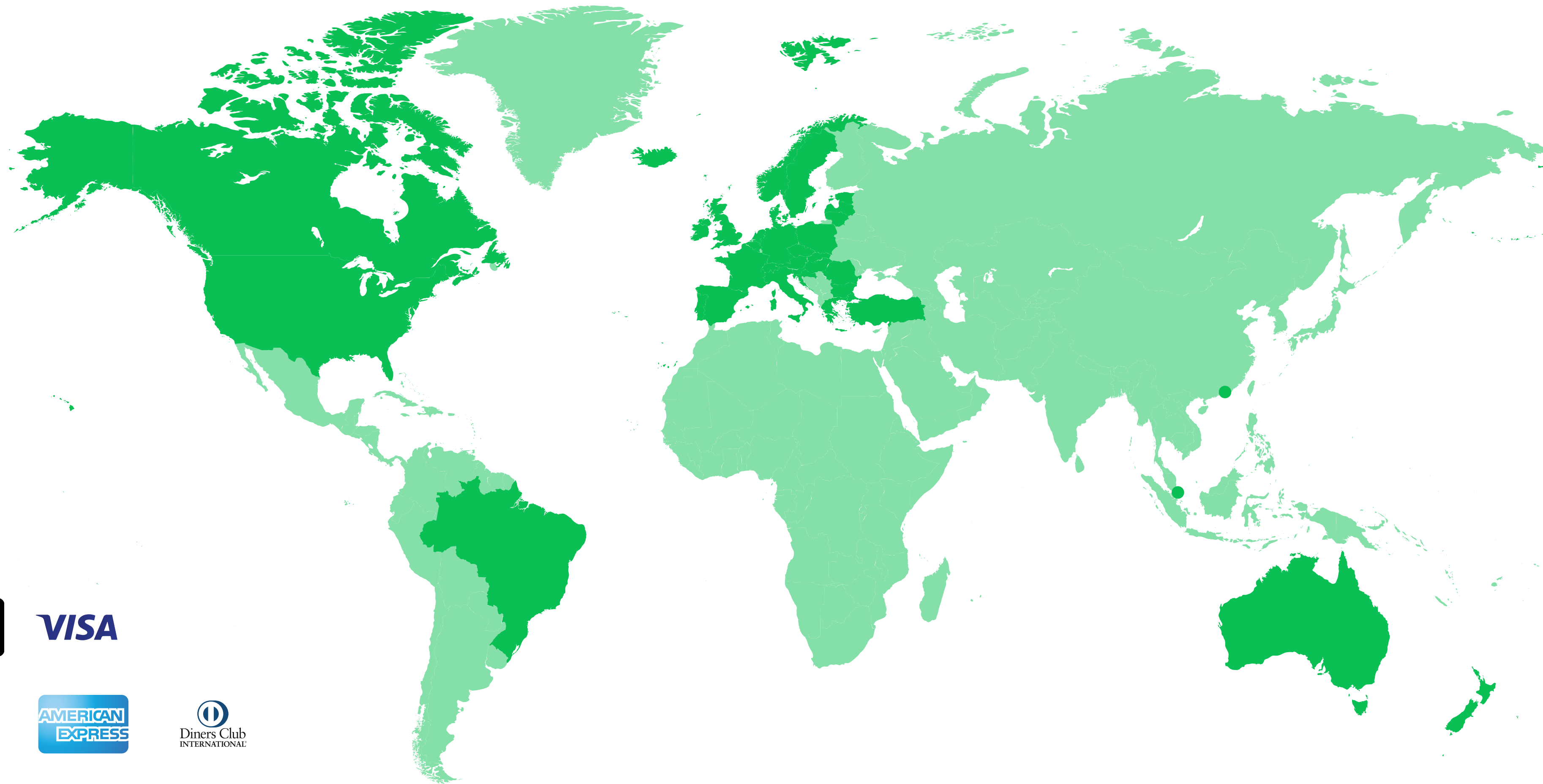
# Global reach

**adyen**

# A global platform with local acquiring

Direct connections to global card schemes

Enabling 'plug and play' expansion to new regions with one global solution



VISA

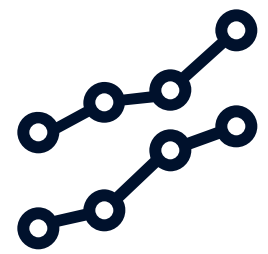


DISCOVER

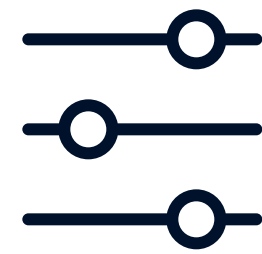


full-stack

# Local acquiring and payment methods on a global scale



**Higher authorization rates**



**Lower processing costs**



**Faster settlement**

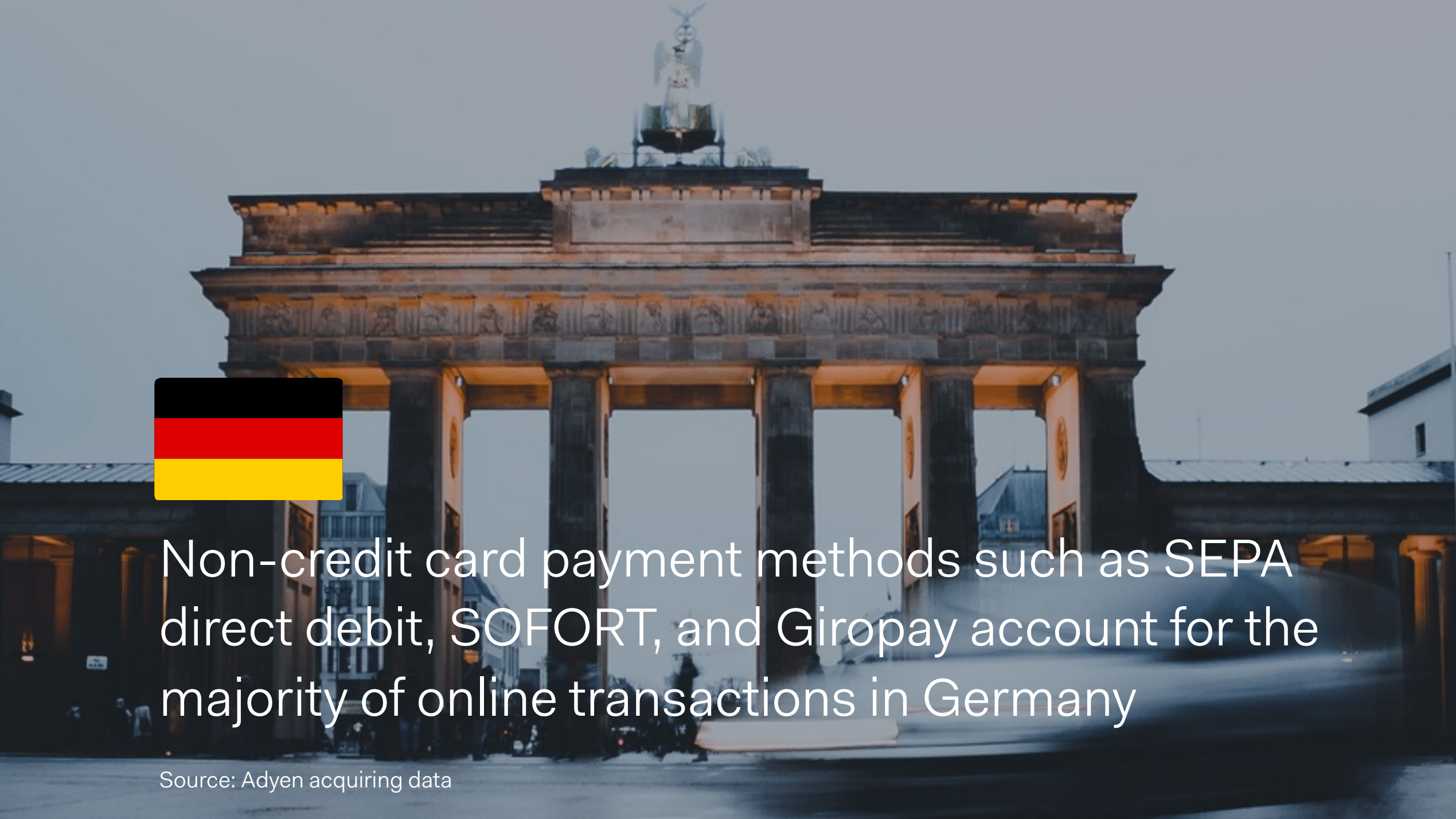


**Better shopping experience**

# Global platform with local payment methods and expertise



Note: illustrative overview of local payment methods



Non-credit card payment methods such as SEPA direct debit, SOFORT, and Giropay account for the majority of online transactions in Germany

Source: Adyen acquiring data



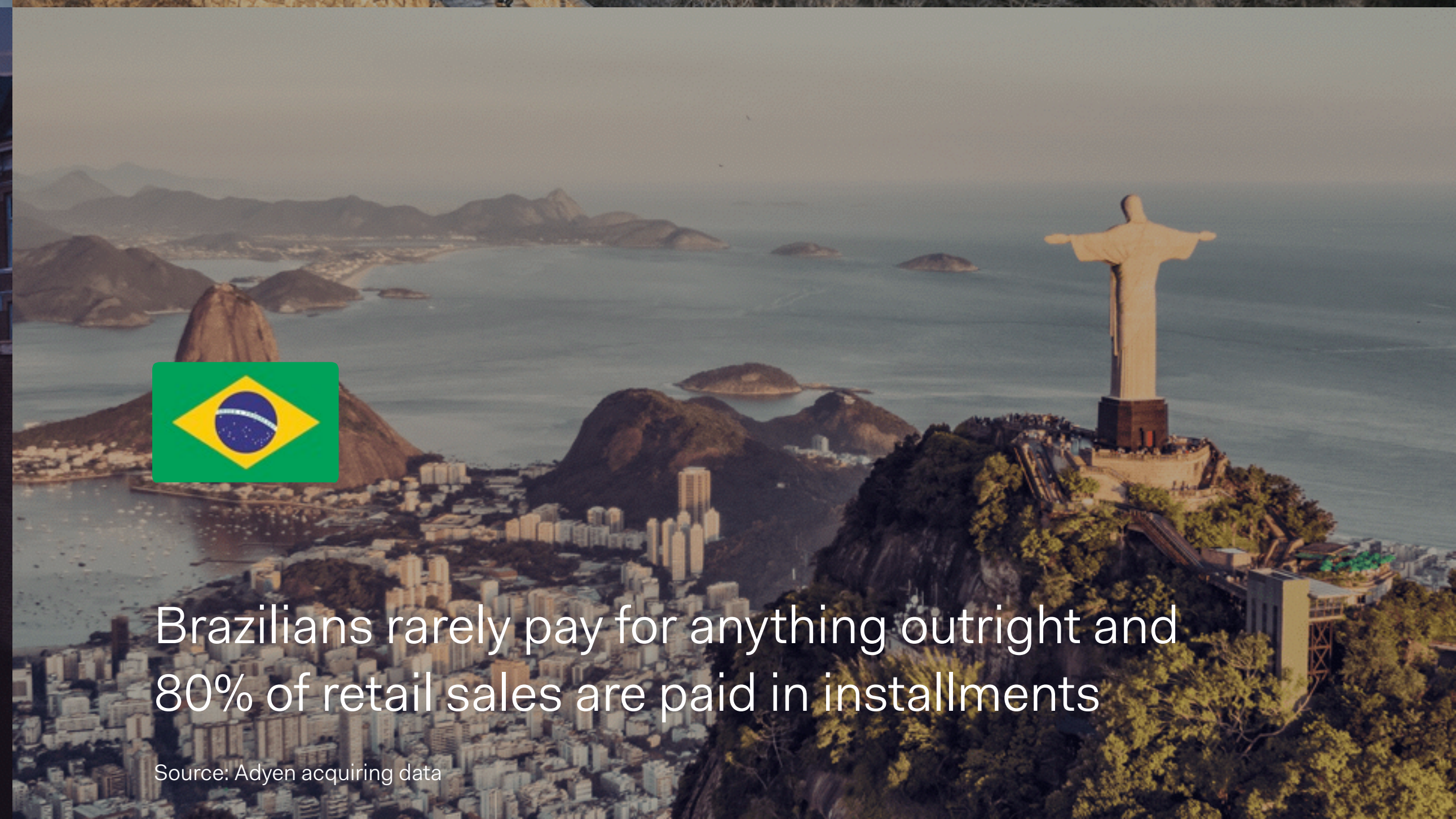
**Alipay**  
Accounts for 54% of online payments in China

Source: China Internet Watch (2019)



**iDEAL**  
Accounts for 70% of online payments in the Netherlands

Source: Currence (2019)



Brazilians rarely pay for anything outright and 80% of retail sales are paid in installments

Source: Adyen acquiring data





# Unified Commerce

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# Delivering unified commerce across channels



Online



In store



Mobile

# Why merchants want unified commerce

## Across countries and channels



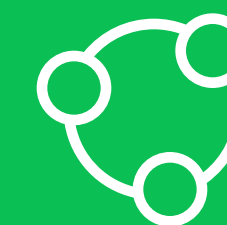
One integration



One contract

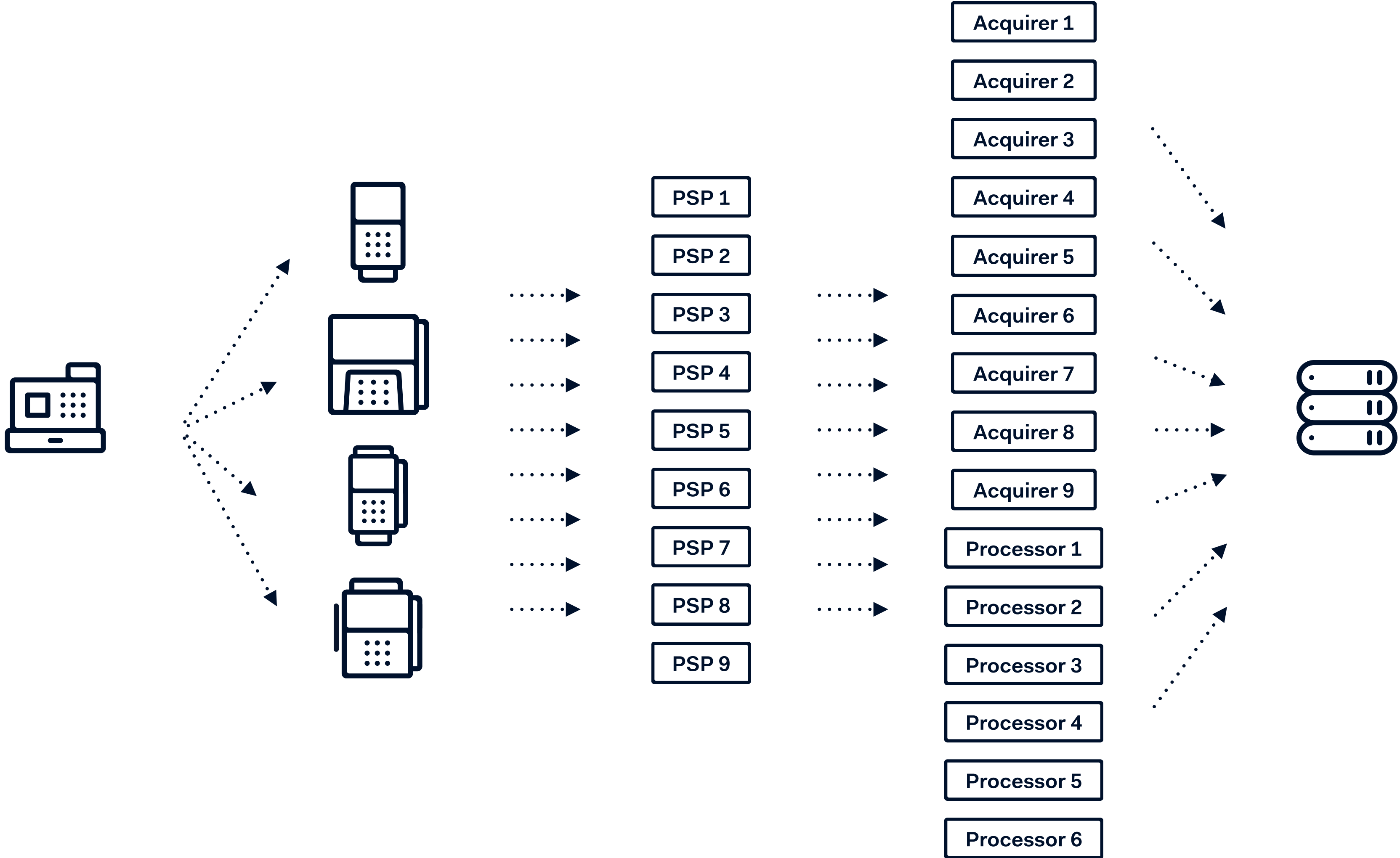


One backend



Holistic view of all  
shoppers

# In-store infrastructure the 'traditional way'



# In-store payments the Adyen way



One integration for all countries  
Best-in-class terminal technology  
One contract

# Future proofing in-store payments with the Terminal API

- Initiate transactions from any device to any terminal securely over the internet or local networks
- Eliminates the need of hardware-integrated software, enabling easy updates and new shopper journeys
- Will allow seamless transition as the industry moves to cloud POS and enable more complex payment flows on the terminal



# Adyen's in-store proposition

1. One integration, one backend, one contract
2. Full control of terminal software, enabling merchants to customize the entire customer experience
3. Access to non-card payment flows on the terminal, such as WeChat Pay and Alipay
4. Seamless in-store experiences with mPOS, endless aisles, and app-based checkouts
5. APIs built for the future and prepared for the next generation of POS devices and concepts

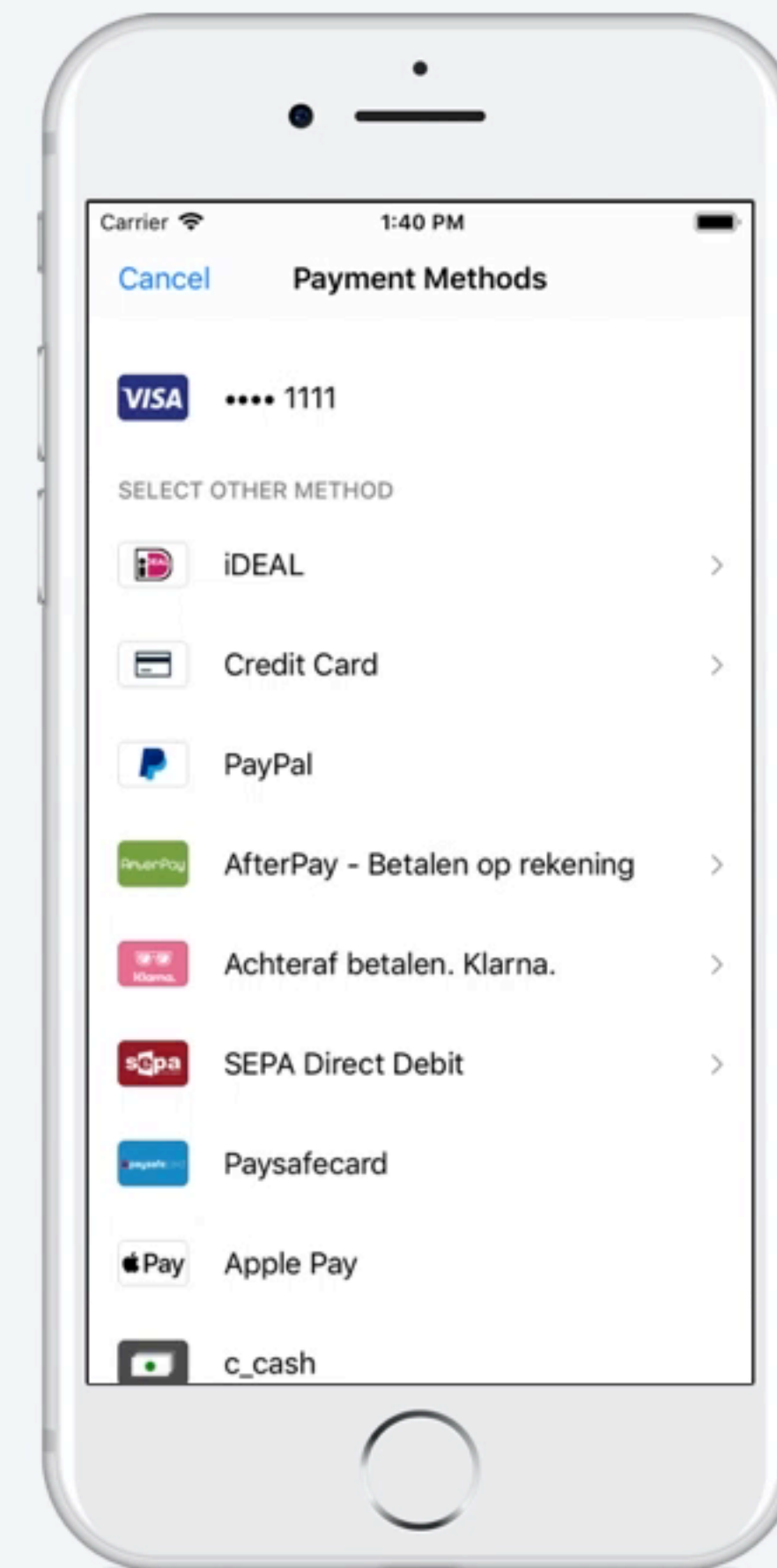


# Driving the mobile in-app revolution

**The 'Uberfication' of payments:** Seamless enrollment and card-on-file flows

**Unparalleled local payment method reach:** Directly integrated into the app, reducing redirects and web-flows

**Absolute flexibility:** Complete control over interface design and user experience





# Adyen Checkout

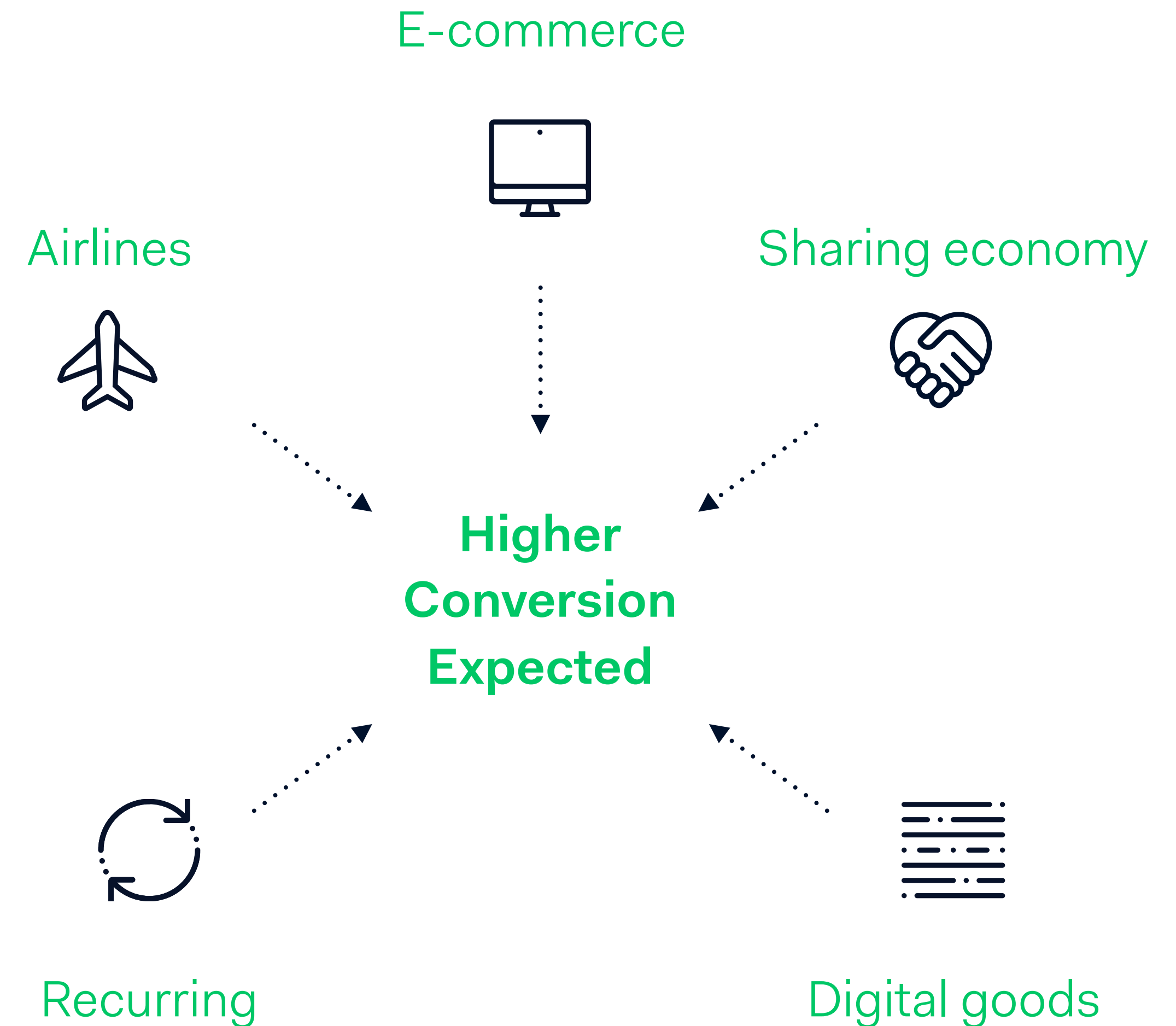
Speeding up time-to-market, while still giving enterprise merchants the flexibility they expect

- Code examples on top of Adyen's Checkout API which allow for complete customization
- Merchants benefit from pre-built and tested elements, getting them up and running quicker
- Merchants can always build directly on top of the Checkout API for complete control

The image shows two screenshots of the Adyen Checkout interface. The top screenshot is for a Credit Card payment method. It features a 'Credit Card' header with a card icon, a 'Card number' field containing '4761 1200 1000 0492' and a 'VISA' logo, an 'Expiry date' field with a vertical cursor, a 'CVC' field, and a 'Save for my next payments' checkbox. The bottom screenshot is for SEPA Direct Debit, featuring a 'SEPA Direct Debit' header with the 'sepa' logo, a 'Holder name' field with a vertical cursor, and an 'Account number (IBAN)' field.

# Web payments

1. Advanced functionality for a wide breadth of vertical use cases, from recurring to physical goods sales
2. Centralized tokenization platform powering recurring and card-on-file payments (one-off and one-click)
3. API- and SDK-powered integration, allowing merchants to achieve global breadth with efficient checkout flows



**How it all  
comes together**





Adyen  
**Personalized payments**

# What the future holds for unified commerce



Innovative players



Fast-moving established players



Future bets across different verticals



# Data enablement

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# Data centric platform helps maximize revenue while minimizing risk



Single platform with unified data view

## Machine learning

### Payments optimization

real-time adaptability with full transparency and control

## Holistic view of payments

### Shopper Insights

Critical for merchants' CRM

Payment method information  
Shopper information

Marketing

Insights

Personalization

## Unique shopper profiles

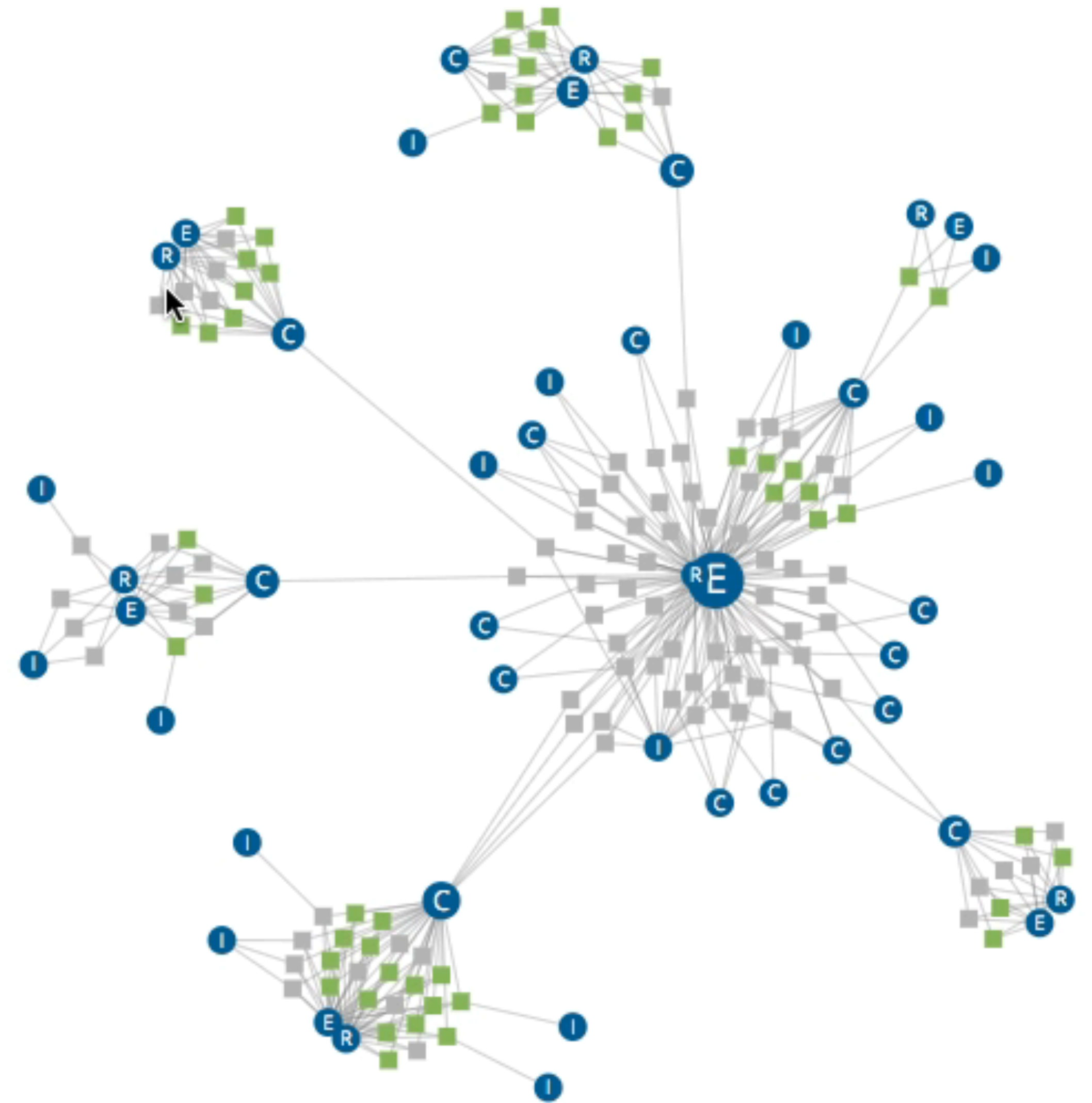
### Fraud prevention

ShopperDNA: Identify the customer behind each transaction

# Real-time transaction linking

to reduce risk of fraud

Adyen combines online, in-app and on-site transactions to create a profile of every shopper

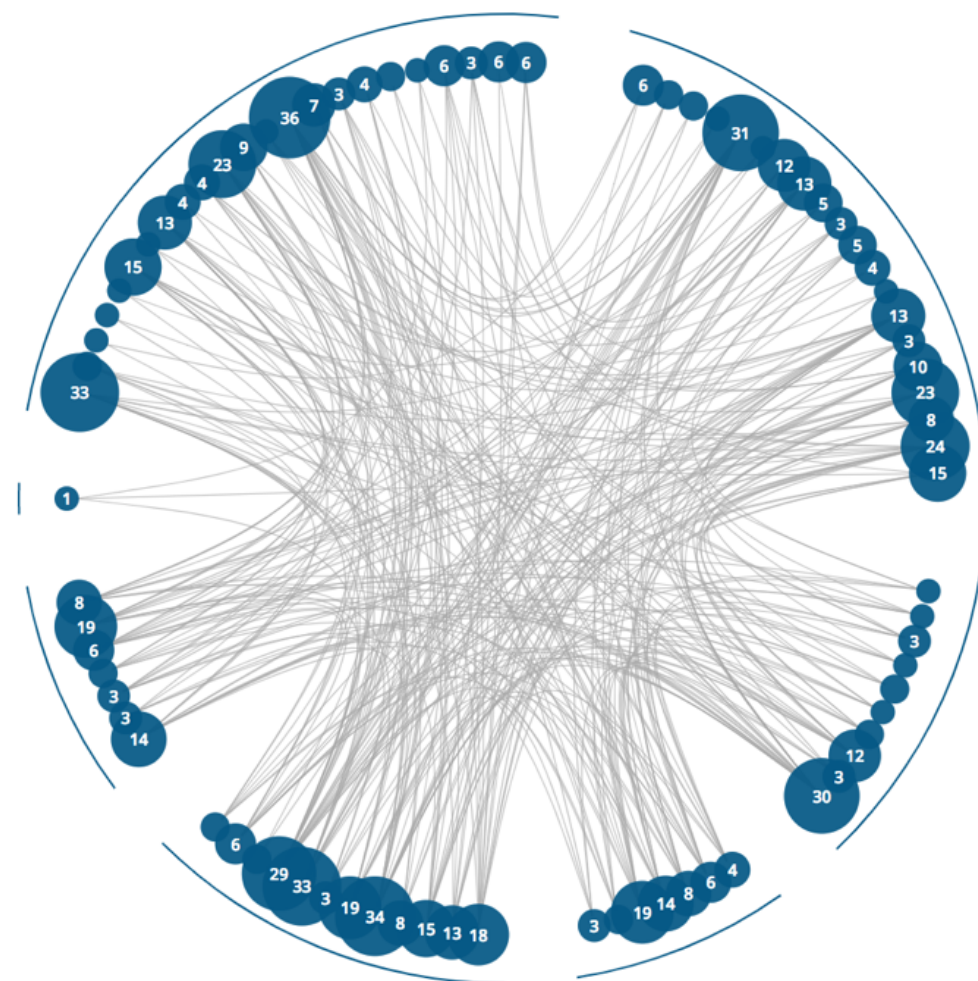




# ShopperDNA

Real-time machine learning transaction linking used to reduce risk in real time

## Bad shopper



### The Shopper

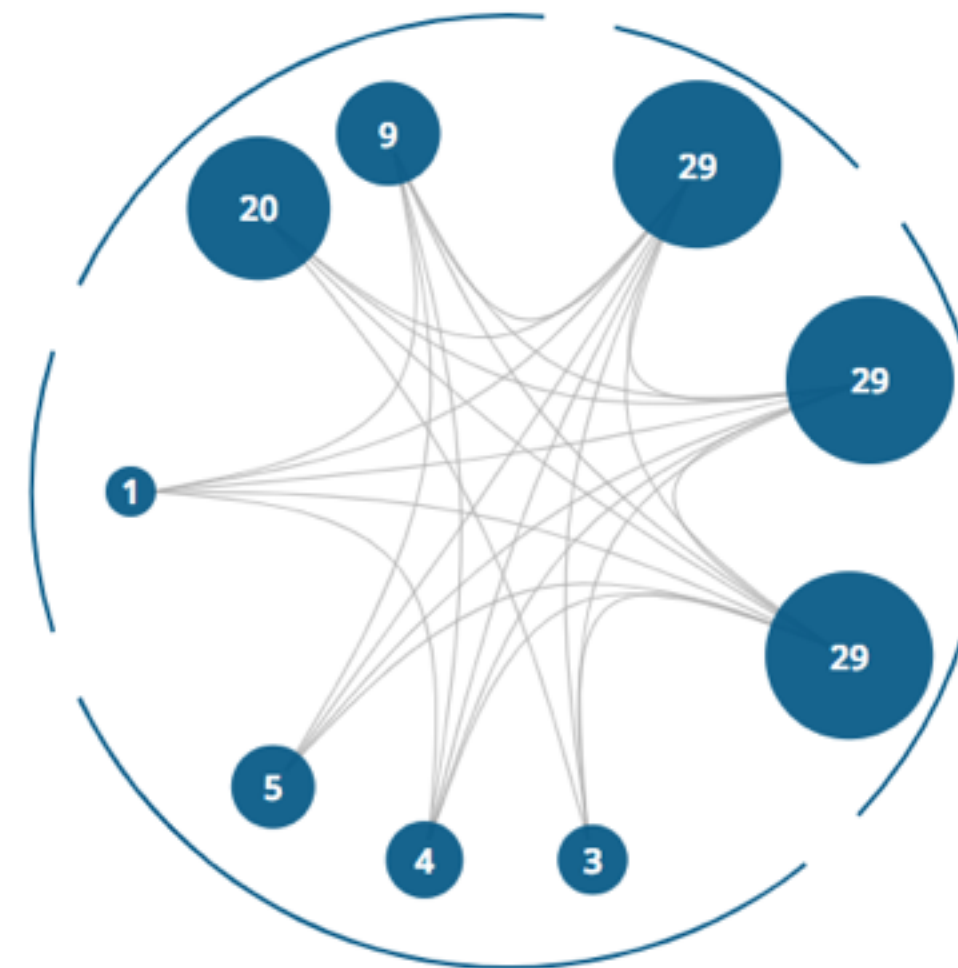
#### Transactions

<b>Total</b>	<b>182</b>	<b>EUR 509.80</b>
Authorised/Settled	14	EUR 4.68
Refused	167	EUR 481.21
Notification of Fraud	1	EUR 23.91

#### Identifiers

Card Number	23
Holder Name	20
IP Address	10
Shopper Email	7
Shopper Reference	12
Shopper Telephone Number	7

## Good shopper



### The Shopper

#### Transactions

<b>Total</b>	<b>29</b>	<b>EUR 224.36</b>
Authorised/Settled	13	EUR 100.70
Refused	15	EUR 119.48
Refunded/Cancelled	1	EUR 4.18

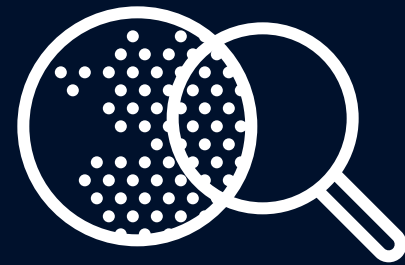
#### Identifiers

Card Number	2
Holder Name	1
IP Address	3
Shopper Email	1
Shopper Reference	1

# Actionable shopper insights



**Quantify**  
customer loyalty



**Track**  
international customers



**Monitor**  
customer retention

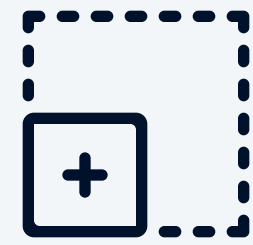


**Open new stores**  
and analyze  
cannibalization



# Data is expected to unlock future opportunities for Adyen

Adyen's platform can consume, process, and model on data at scale



The larger Adyen's data set grows, the more early investments in data science infrastructure pay off



Data capabilities empower current products and services



Investment in data science infrastructure allows for potential quick extensions into other data-driven products and services in the future with little additional investment



**Ongoing innovation**

**adyen**

# Membership to ongoing innovation



Accelerating  
pace of innovation



Weekly release  
cycles



Industry-leading  
performance



Co-creation: Business &  
tech leads with merchants

# Accelerating pace of innovation

2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

2006 – 2010

**GROUPON™**



**2009**

Signed first global  
enterprise merchant

**2010**

Risk management  
products added

# Accelerating pace of innovation

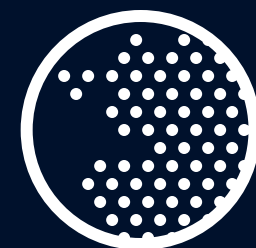
2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

2011 – 2015



**2012**

First European  
acquiring license



**2012**

Global expansion, offices  
opened in San Francisco,  
London and Paris



**2015**

Added POS to our  
service offering

# Accelerating pace of innovation

2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

2016 – 2017



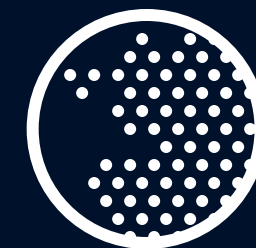
**2016**

Launched MarketPay offering



**2016**

Obtained acquiring license in Brazil through a BIN partnership



**2017**

Continued global expansion of acquiring in APAC



**2017**

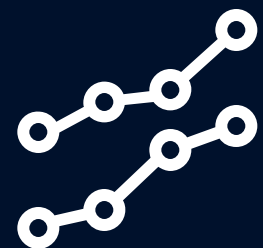
Obtained European banking license



# Accelerating pace of innovation

2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

2017 — present



**2017**

Surpassed €100 billion in processed volume



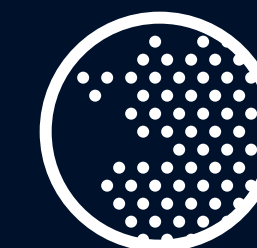
**2017**

Launch of Checkout



**2018**

Terminal API introduction



**2018**

Further expansion of acquiring in APAC and Canada

Ongoing innovation


# MarketPay

Economy




US \$ 12,30  
6 min

1 of 6



Pastel green shoes  
★★★★☆ (9)  
€ 99,99  
You save: \$ 20 (10% off)

< ★




New Season  
**Basic green**  
Cotton T-shirt  
89 € (VAT included)

<

## Manage

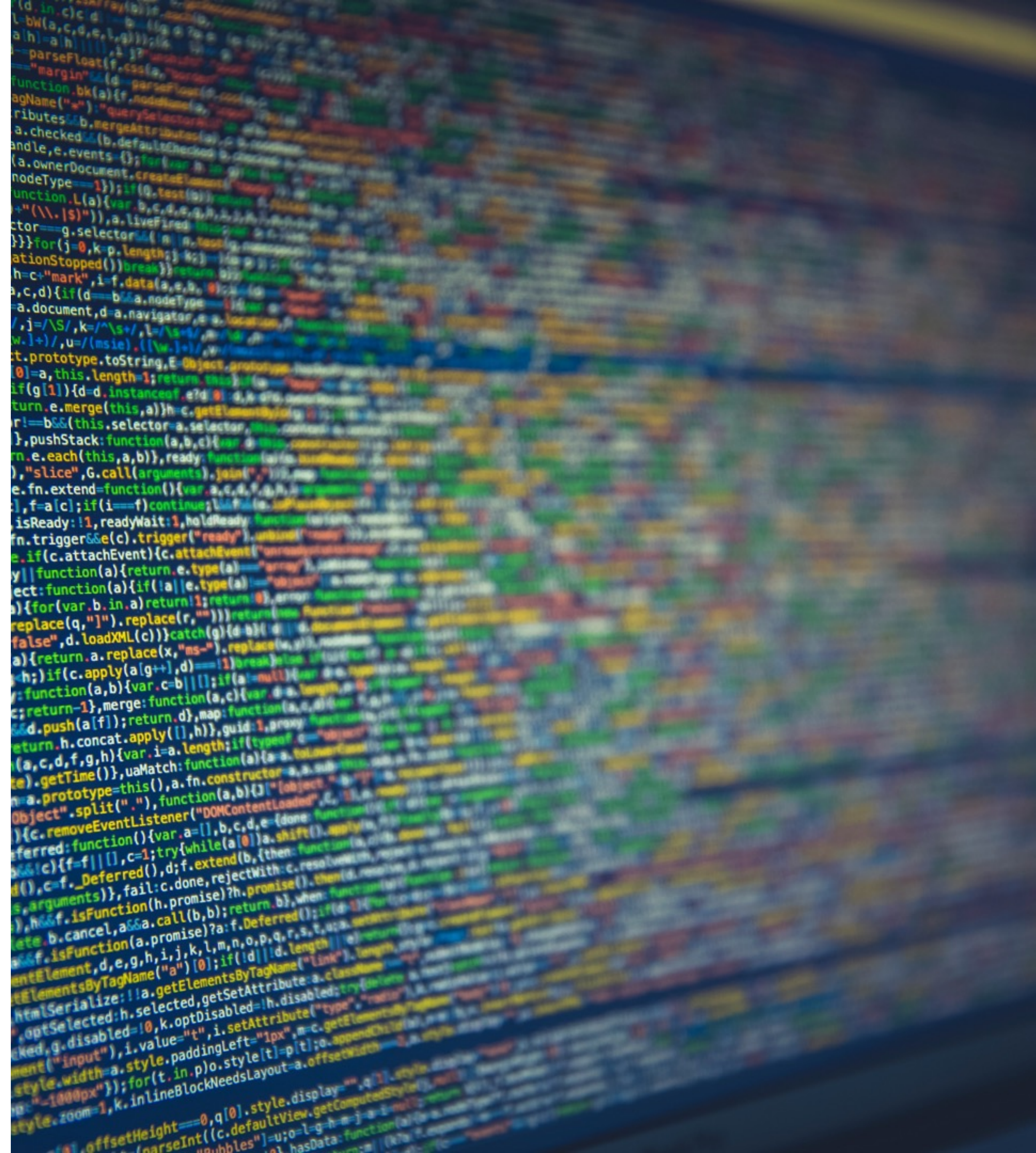
Help dreams come true • View



US \$ 1,250 raised

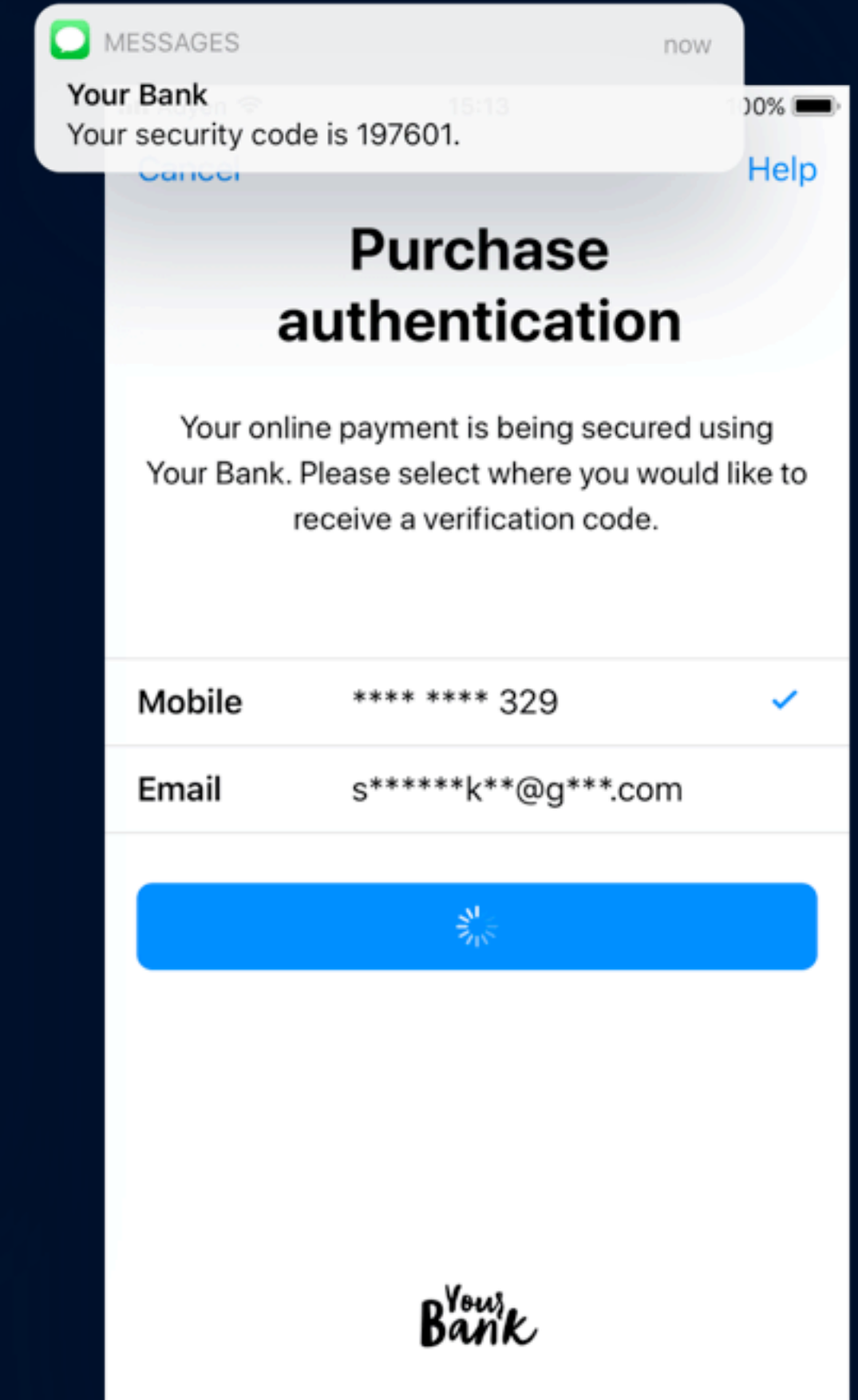
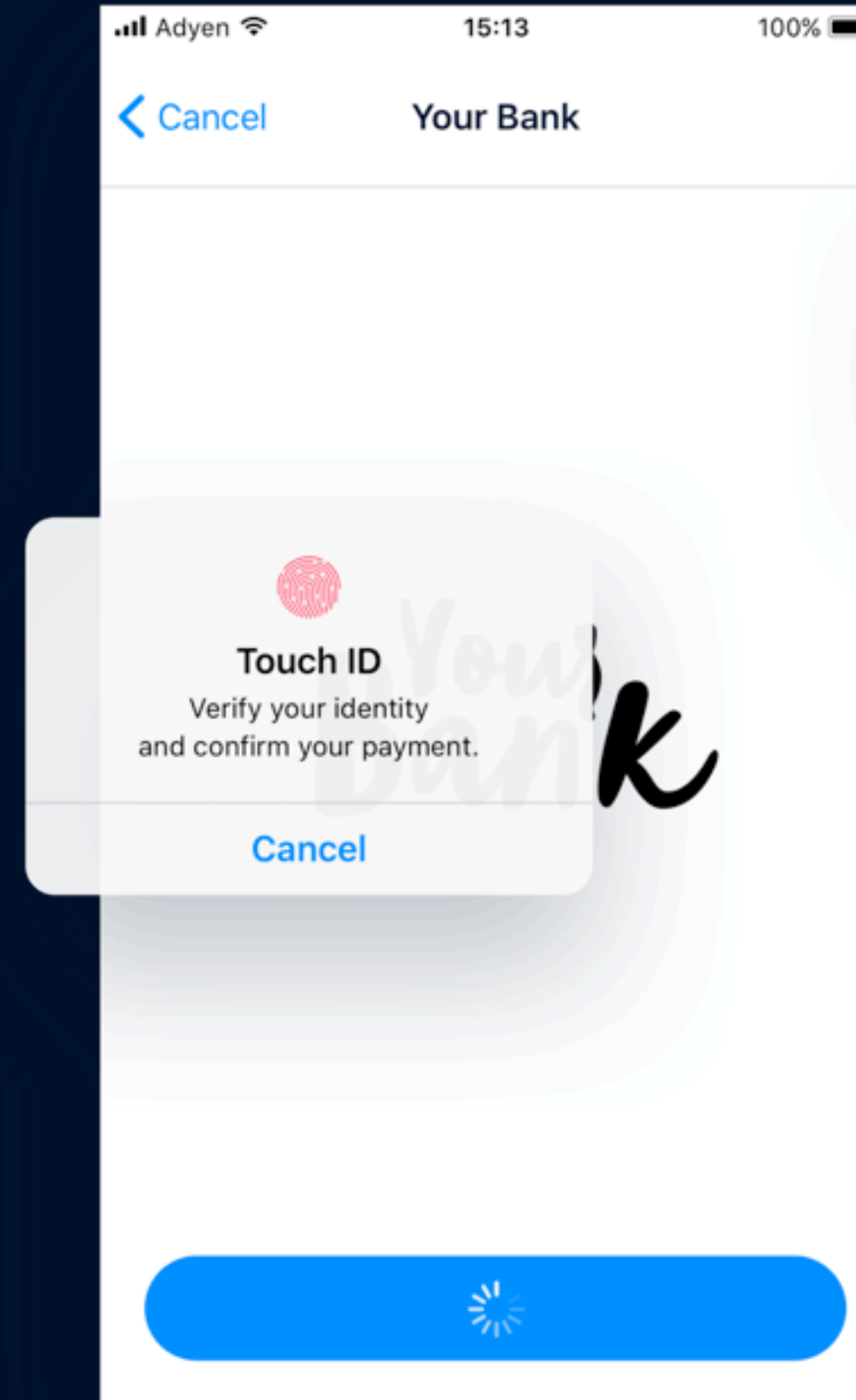
Ongoing innovation

# The Adyen Bank

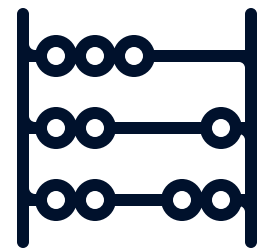


Ongoing innovation

# 3D Secure 2.0



# A global, scalable, channel-agnostic platform built for the future



Universality of the bookkeeping system



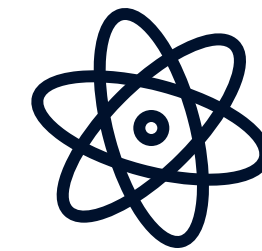
Universality of the tokenization platform



No device / channel dependency



No network dependency



Optionality to support a whole new set of payment products

A woman in silhouette is shown from the side, looking towards a wall of vertical light strips. The strips are illuminated in various colors, including red, green, and white, creating a futuristic and technological atmosphere. The woman is wearing a dark, off-the-shoulder top.

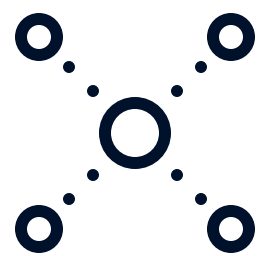
# Technology

**adyen**

# Adyen is a tech company focused on payments



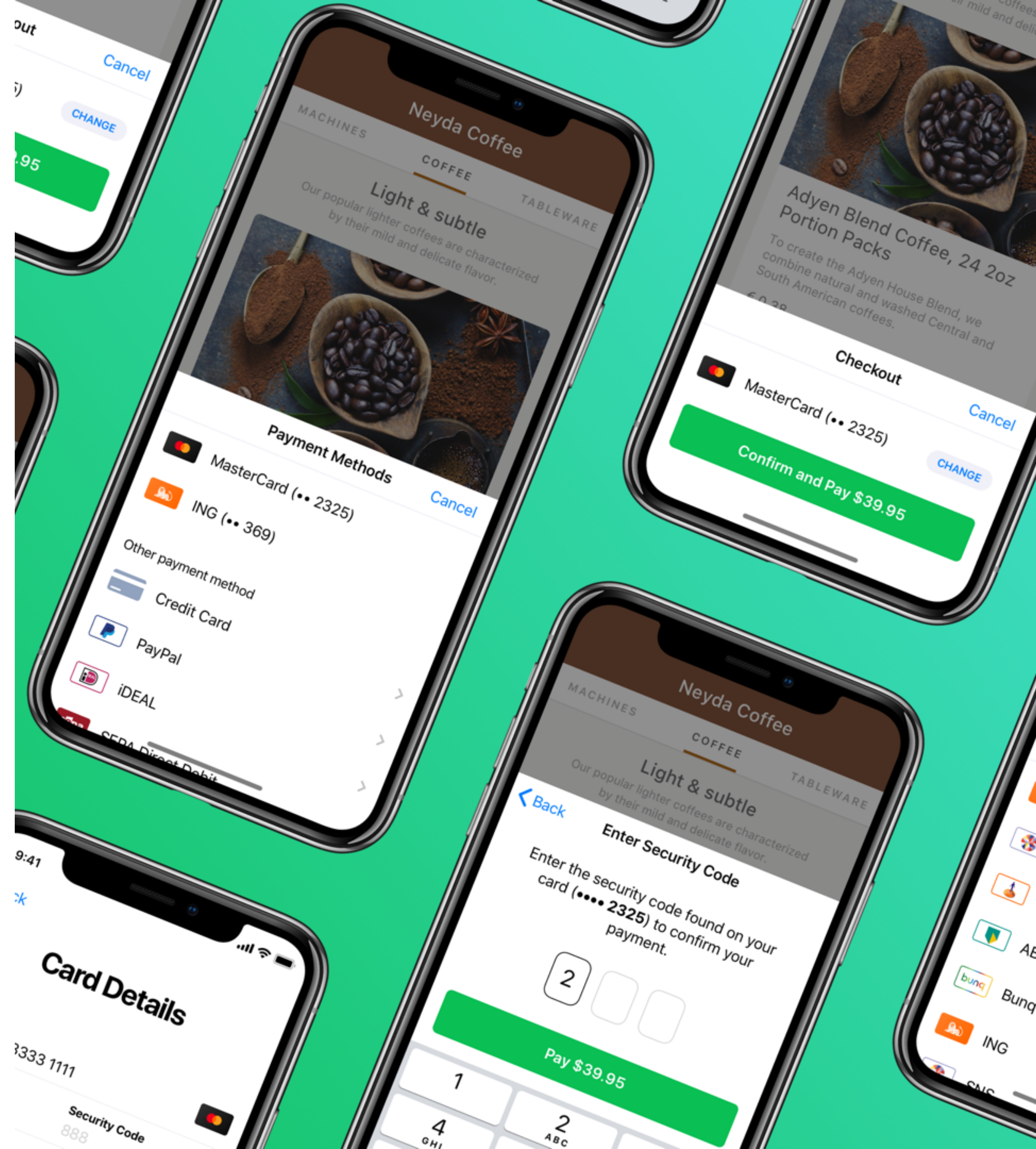
A unique team in the payment industry



Empowered, cross-functional workstreams



Built for the future



# An experienced & committed technology team

- 8 average years at Adyen
- 361 total tech headcount
- 41% of total headcount
- <2% regretted losses<sup>(1)</sup><sup>(2)</sup> within the tech team

Source: Company information 31-12-2018

1. Regretted loss definition: critical person (person that is essential to the daily operational success) or talent (key player with ambition and ability to grow) that left Adyen

2. Regretted losses as % of average headcount in tech for the years 2017 and 2018





# Cross-functional workstreams

Teams that combine developers with business and products

## Purpose:

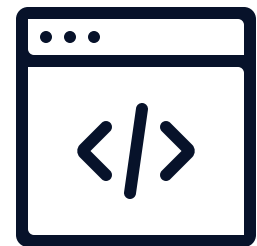
- Keep organization flat and agile
- Keep focus: Steer organization by allocating resources
- Developers want to work for people they respect content-wise
- Grow talent into leaders

## Structure:

- 1 development lead, 1 business lead
- Currently 22 workstreams (constantly in flux)
- Max. 15 people per workstream
- Workstream leads translate strategy into operational goals



# Platform & infrastructure built for the future



## **Single code base**

Built in house from day 1, deployed globally



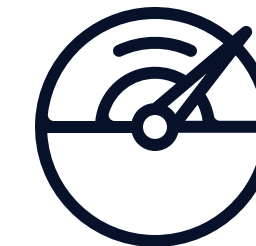
## **Open source**

Maximum independence and control, reduced cost, no third parties



## **Precise**

Backed by high performance double-entry bookkeeping

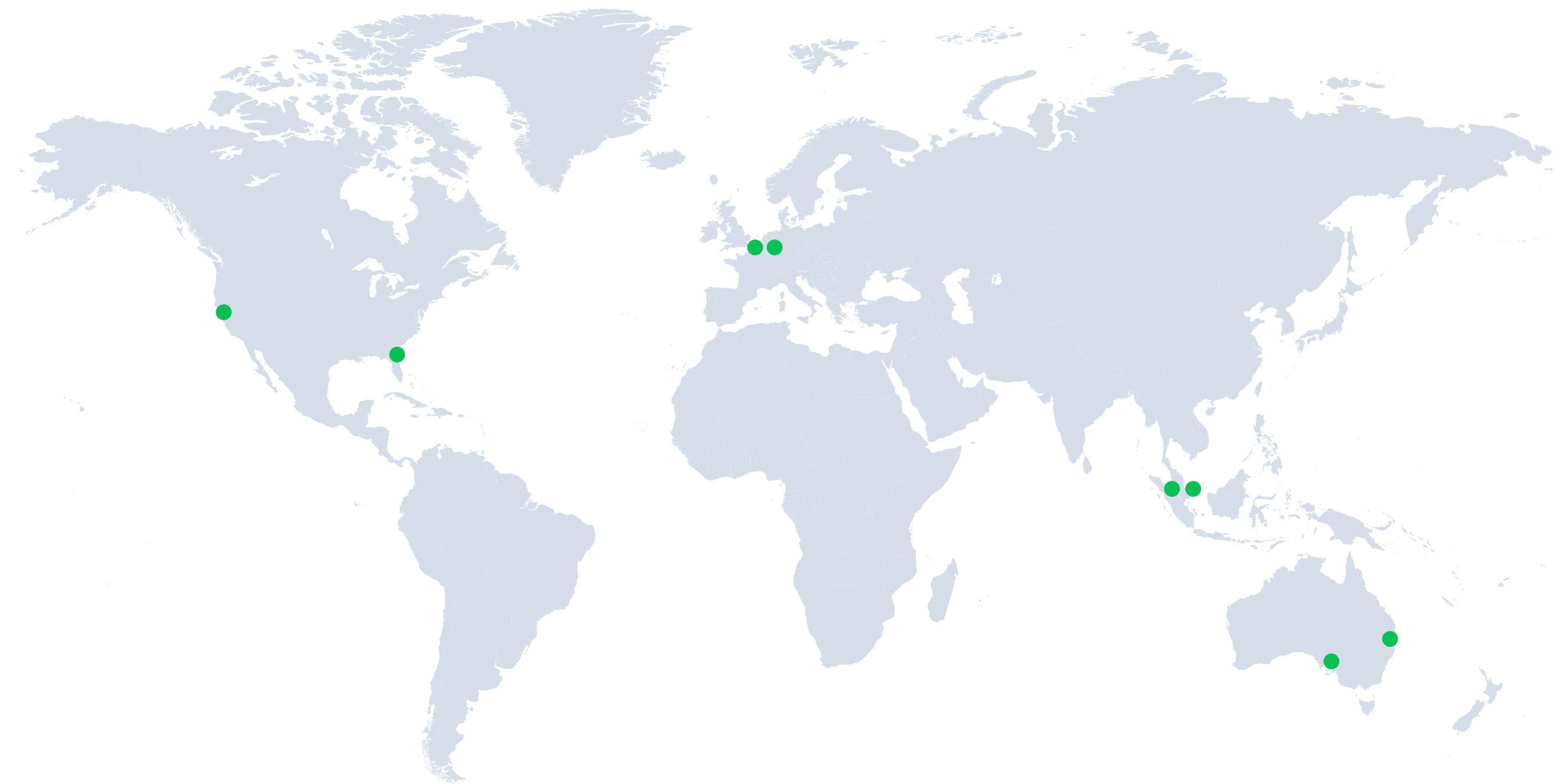


## **Agile**

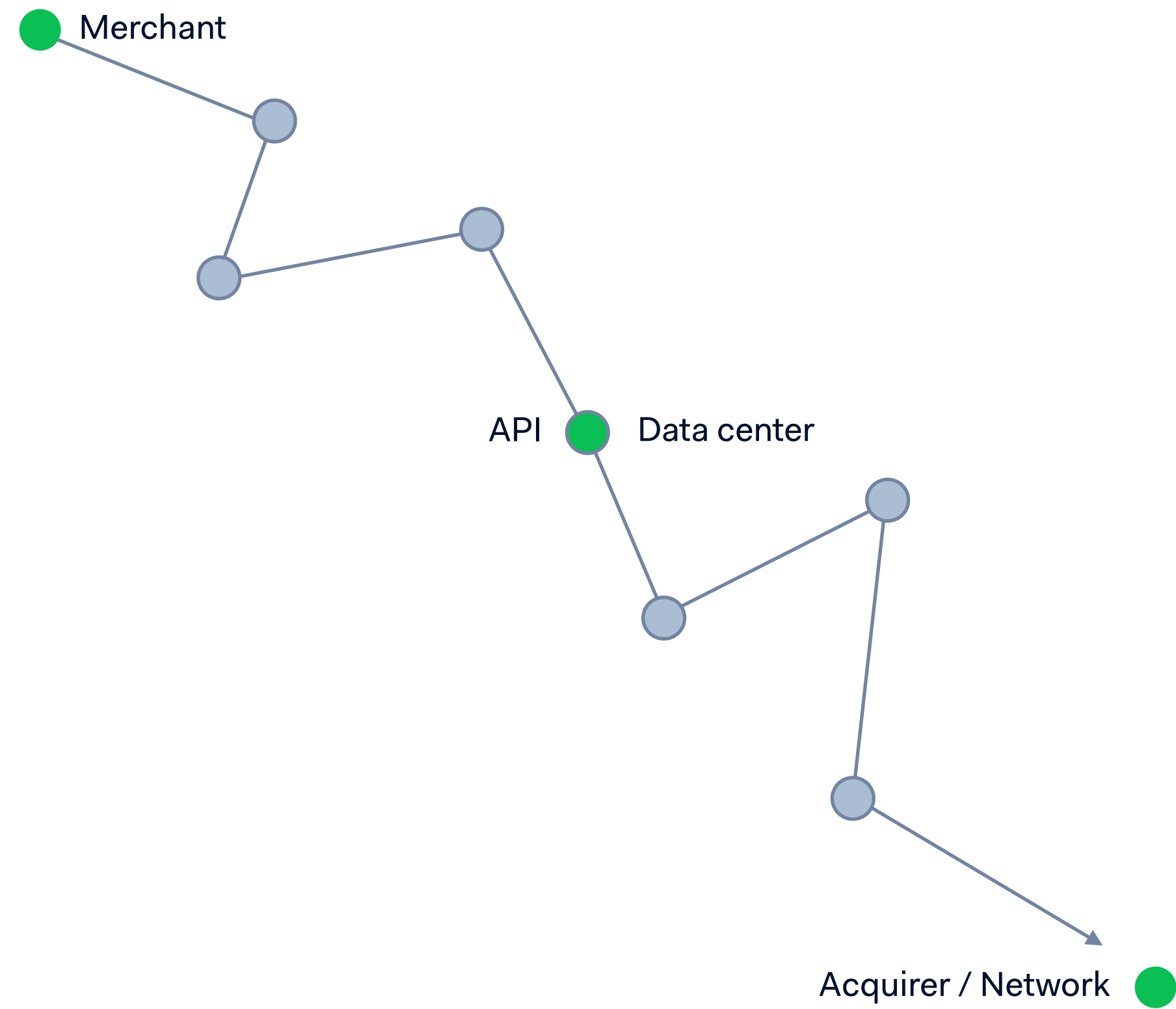
Continuous innovation, coping with rapidly-changing industry and regulation

# One platform, global data center coverage

- **Multiple data centers** in an **active-active set-up** per region to provide resilience against internal and external issues
- Merchants connect into data center in their own geographical region, **minimizing latency and hops over public internet**
- Automated recovery and health-based rerouting choose **optimal path for each transaction**

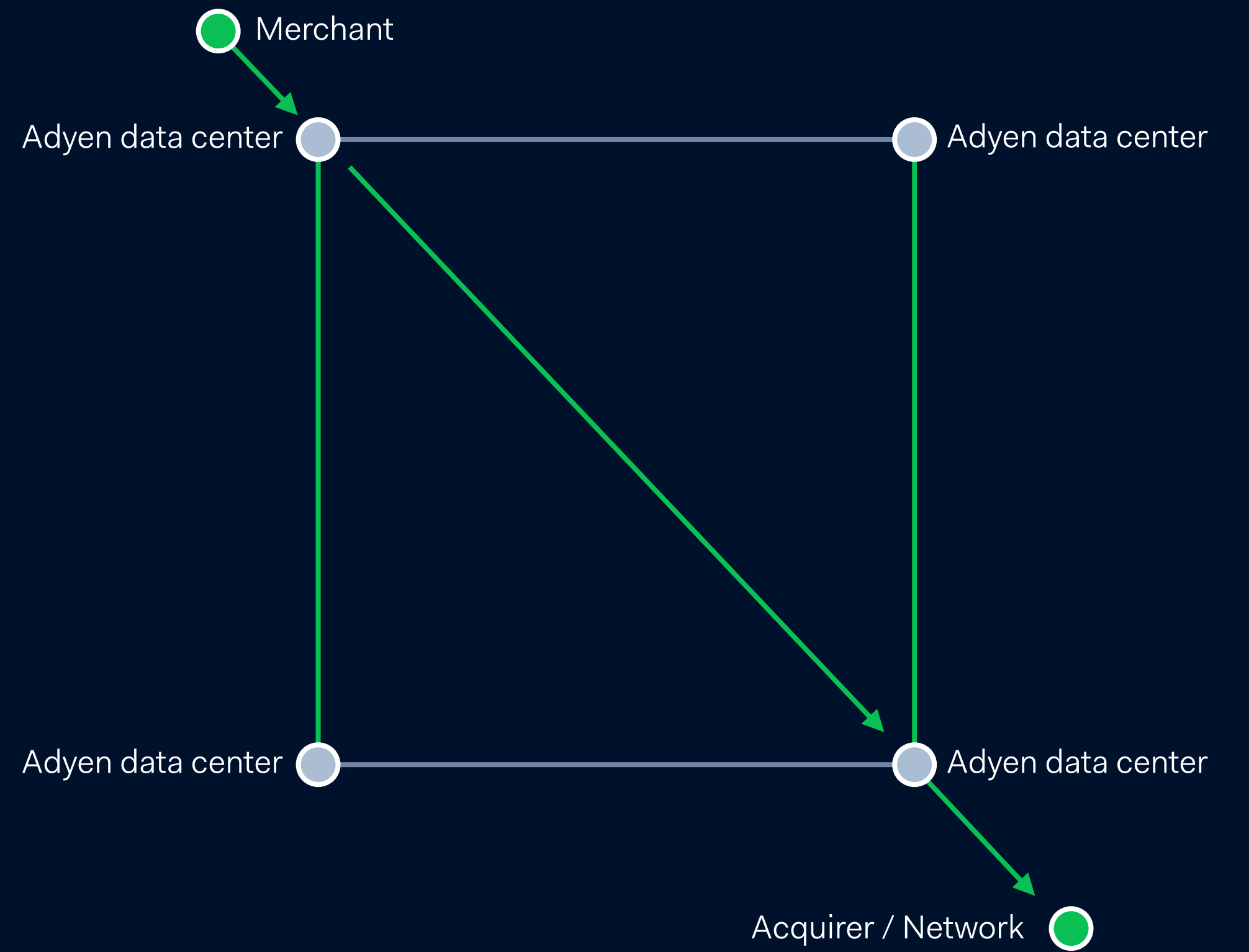


## Traditional routing



VS

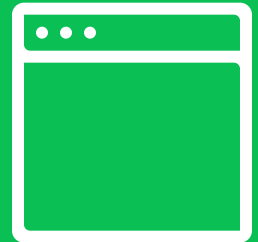
## Adyen's resilient (re)routing



# System monitoring and risk management



Resilience



Monitoring



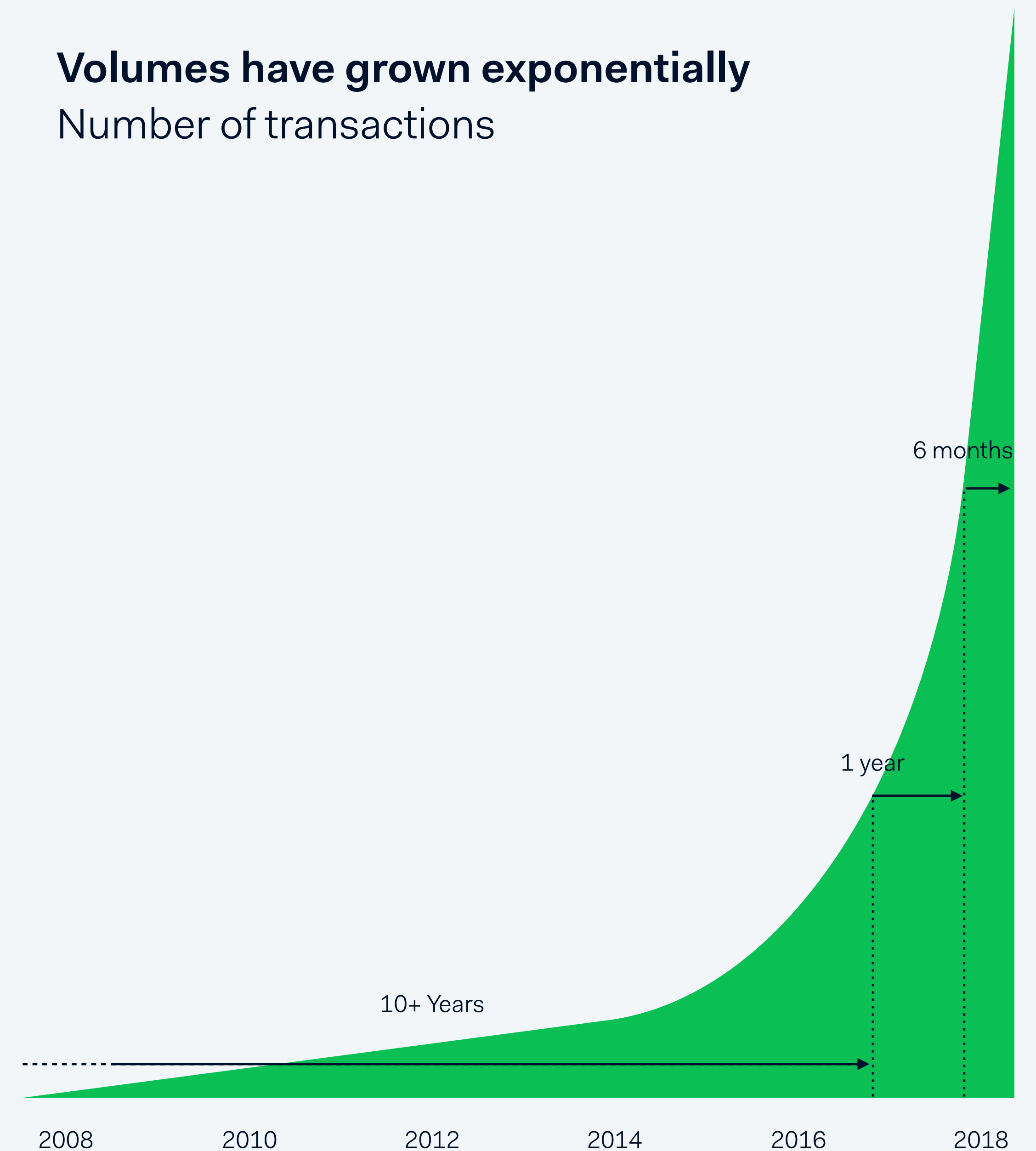
Security

# Scalable architecture enables exponential growth

- **Distributed, stateless architecture** scales linearly
- **Additional capacity** by adding data centers and newer generation hardware
- Sharding and partitioning to **scale accounting cluster**
- **Streaming** prevents costly multi-shard queries and large batch processing

Volumes have grown exponentially

Number of transactions



A woman in a light blue shirt is standing behind a counter, smiling and talking to a customer. The customer is a woman in a black leather jacket, holding a brown paper shopping bag and a pair of glasses. They are in a retail store with large windows in the background. The scene is overlaid with a green gradient on the left side.

# Sales & Marketing

**adyen**

Build long-term  
trusted **partnerships**  
with our merchants to  
help them **grow their  
business**





# Who do we target?



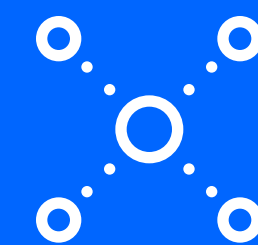
## Large international merchants

We target merchants across verticals, usually active in multiple markets selling via various channels



## Expansion into next adjacent (mid-market) segment

Ambitious domestic merchants looking for all-in-one solution



## Future growth in different areas

More industries, more products, more markets

# How do we find our customers?

## Large enterprises



**Direct sales** to build relationship



Knowledge-sharing and networking **events**

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## Mid-market companies



**Online marketing** to generate leads



**Strategic partnerships** with system integrators and platforms



**Direct marketing** at events

# Adyen's proposition



Alignment between Adyen commercial interest and merchant interest



Fully transparent, transaction-based pricing



Simple pricing structure, no hidden fees



Focus on value over costs



# Our commercial functions

Key commercial roles with clearly defined responsibilities



## Sales managers & key account managers

Sales managers create leads and sign new customers

Key account managers identify growth opportunities from existing customers

No. of sales and account managers **>260**



## Partnership managers

Ensure right technical integration in wider ecosystem

No. of partnership managers **>20**

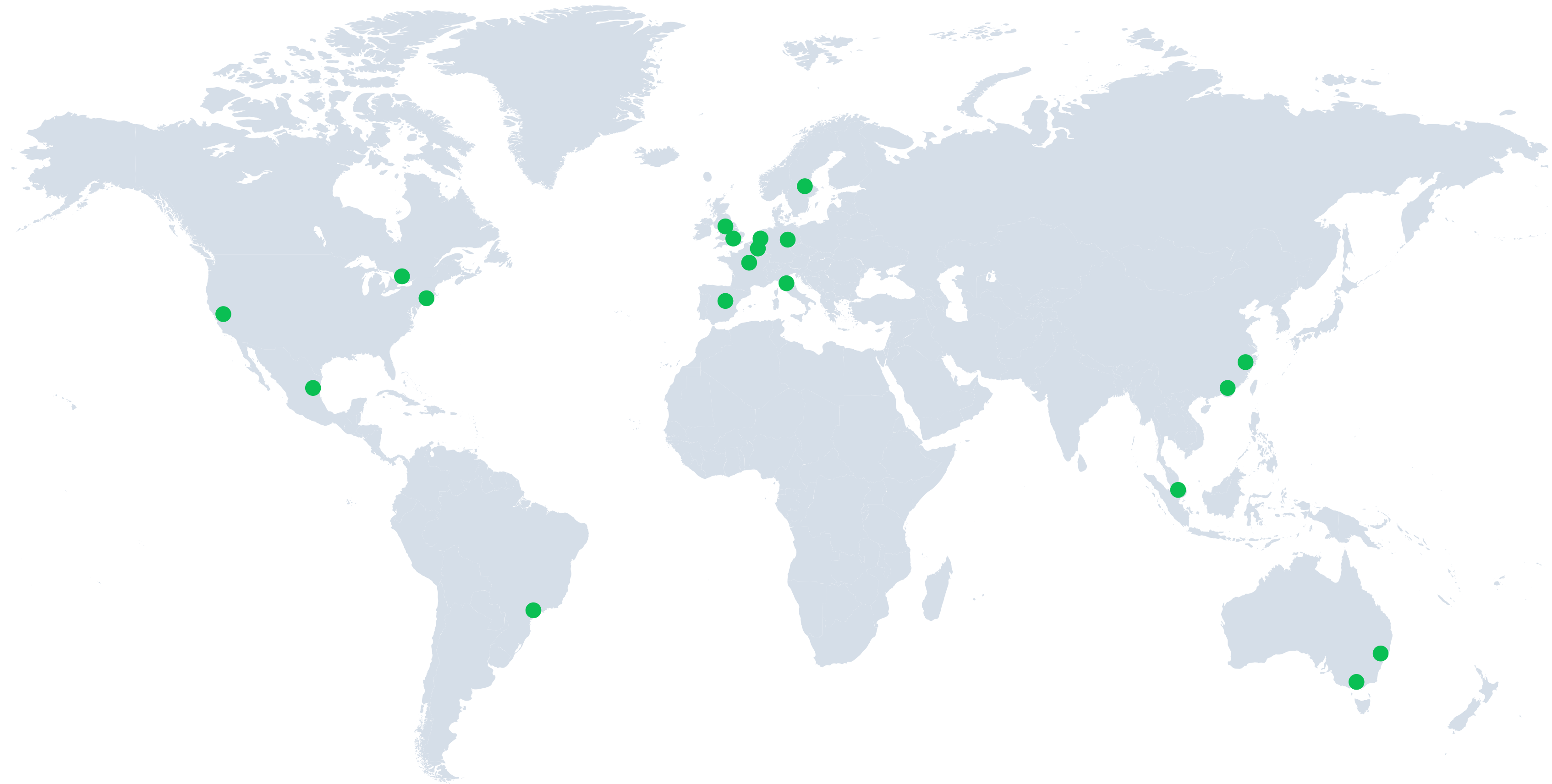


## Marketing

Ensure position of Adyen through content and events presence

No. of marketing employees **>60**

# Global sales reach through local presence



Amsterdam  
Berlin  
Brussels  
Hong Kong

London  
Madrid  
Manchester  
Melbourne

Mexico City  
Milan  
New York  
Paris

San Francisco  
São Paulo  
Shanghai  
Singapore

Stockholm  
Sydney  
Toronto

# Sales organization built for growth



Attractive  
incentive plans



Highly  
consultative  
sales



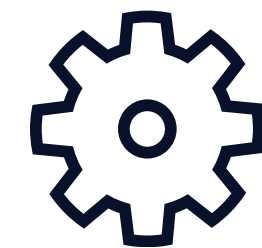
Collaborative  
approach  
across regions  
& functions



Autonomy with  
well-defined  
framework



19 offices  
worldwide

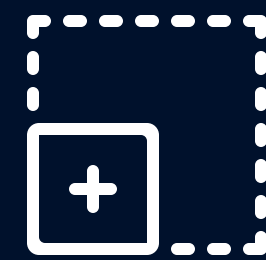


Supported by  
best-in-class  
tools

# Sales and Account Management approach



**Build trust & relationship**  
through  
knowledge and  
reputation



**Expand**  
into new areas and  
grow volume



**Solve immediate challenges**  
or merchant pain  
point



**Go live**  
with initial project



**Prove unique value**  
of our solution with  
live traffic

A woman in a blue suit is walking on a patio, pulling a blue suitcase. She is holding a smartphone. A man in a white uniform is standing next to her, holding a tray with a drink. The background features a red wall and a blue sky. The word "Marketing" is written in white text over the image.

Marketing

Aim:  
Help merchants  
make decisions



# How do we do it

## Generate awareness

- Outdoor advertising
- Social media
- Campaigns
- PR

## Build out thought leadership

- White papers
- Industry thematics

## Nurture customer community

- Key industry events
- Adyen merchant events



# Lunch

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Business. Not boundaries.

A photograph of three men in a modern office environment. They are seated around a round wooden table, engaged in a discussion. The man on the left is wearing glasses and a dark t-shirt, with his hands clasped. The man in the middle is wearing a light-colored t-shirt and is looking towards the man on the right. The man on the right has curly hair and is wearing a dark blue and white striped sweater, looking back at the man in the middle. There are two laptops on the table; the one on the left has a green apple sticker on its lid. The background features large windows, indoor plants, and modern office furniture. The overall atmosphere is professional and collaborative.

# Team & Culture

**adyen**

# The Adyen Formula

- 1 We build to **benefit all merchants** (not just one)
- 2 We make **good choices** to build an ethical business and drive sustainable growth for our merchants
- 3 We **launch fast** and iterate
- 4 **Winning is more important than ego**; we work as a team - across cultures and time zones
- 5 **We don't hide behind email**, instead we pick up the phone
- 6 We **talk straight** without being rude
- 7 We include **different people** to sharpen our ideas
- 8 We **create our own path** and won't be slowed down by "stewards"

# Strong management team



**Joop Wijn**  
CSRO  
Amsterdam



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CFO  
Amsterdam



**Pieter van der Does**  
Co-founder & CEO  
Amsterdam



**Arnout Schuijff**  
Co-founder & CTO  
Amsterdam



**Roelant Prins**  
CCO  
Amsterdam



**Sam Halse**  
COO  
Amsterdam



**Dagmar van Ravenswaay Claasen**  
Director Regulatory Affairs  
Amsterdam



**Edgar Verschuur**  
Head of Global Acquiring  
Amsterdam



**Martine Buis**  
HR Director  
Amsterdam



**Brian Dammeir**  
Head of Product  
Amsterdam



**Jean-Marc Thienpont**  
POS Solutions Managing Director  
Amsterdam



**Mariëtte Swart**  
General Legal Counsel  
Amsterdam



**Alexander Matthey**  
EVP Technology  
Berlin



**Michiel Toneman**  
SVP System Architecture  
Amsterdam



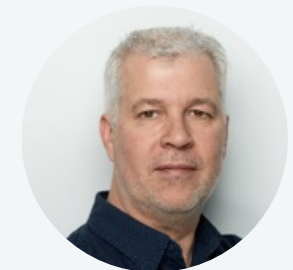
**Bert Wolters**  
EVP Technology  
Amsterdam



**Etienne Gerts**  
Head of Development  
Amsterdam



**Pieter Berlijn**  
Head of Infrastructure  
Amsterdam



**Rob Vonk**  
EVP Technology  
Amsterdam



**Kamran Zaki**  
President North-America  
San Francisco



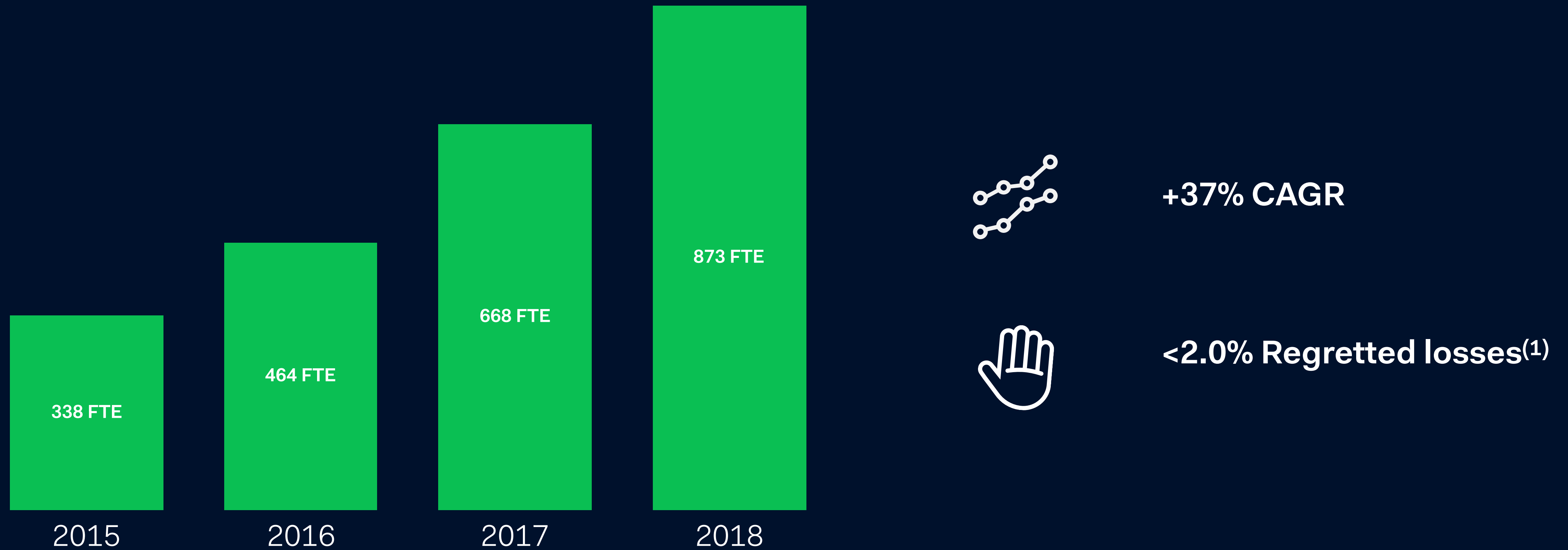
**Warren Hayashi**  
President Asia Pacific  
Singapore



**Jean Christian Mies**  
SVP Latin America  
São Paulo

# Ability to attract, retain and develop talent

Expanding talent pool with limited regretted losses

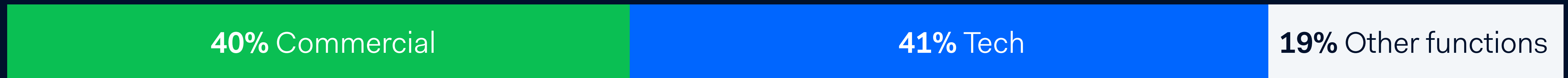


SOURCE: Company information as of December 31, 2018

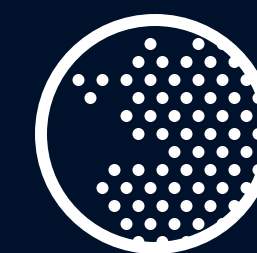
<sup>1</sup> Regretted losses as a % of average headcount for the years 2017 and 2018

# Ability to attract, retain and develop talent

Our talent pool



**Young talent**  
avg. age 32 years



**International**  
70+ nationalities

# Recruitment Strategy

What are we looking for?



**Formula fit**



**Intelligence**



**Impact**



# Recruitment Strategy

Where we are looking?



**Referral program**



**Internships**



**University projects/events**



**Incoming applications**

# Recruitment Strategy

Applicant evaluation tools



**Airline test**

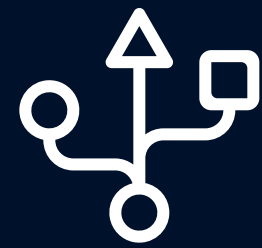


**Board member  
interview**

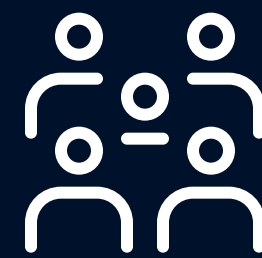


**1/171 hired**

# Why people like working at Adyen



Creating your own path



Building the business together



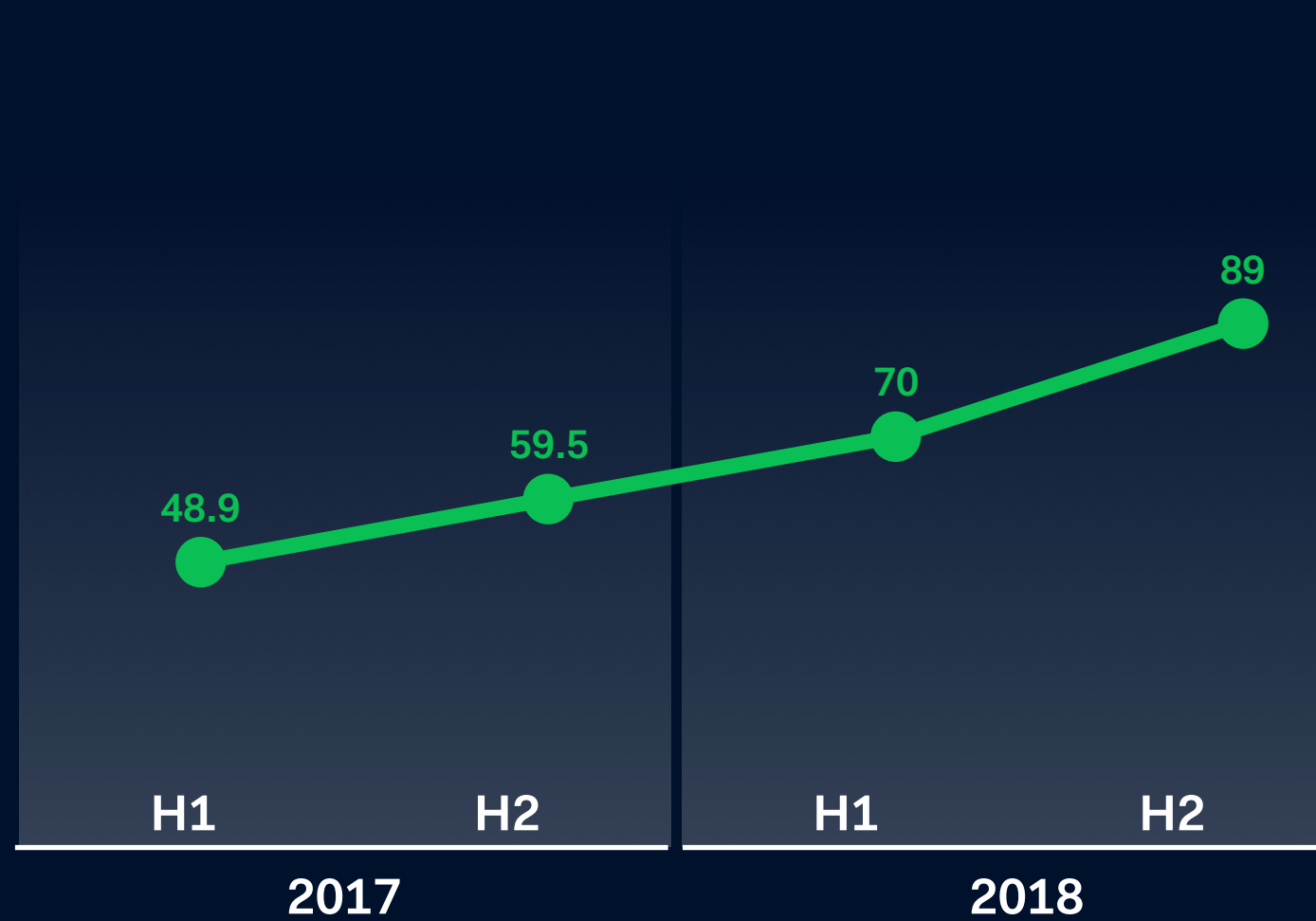
Company culture



# Financials

**adyen**

# Key financial highlights



## Processed volume

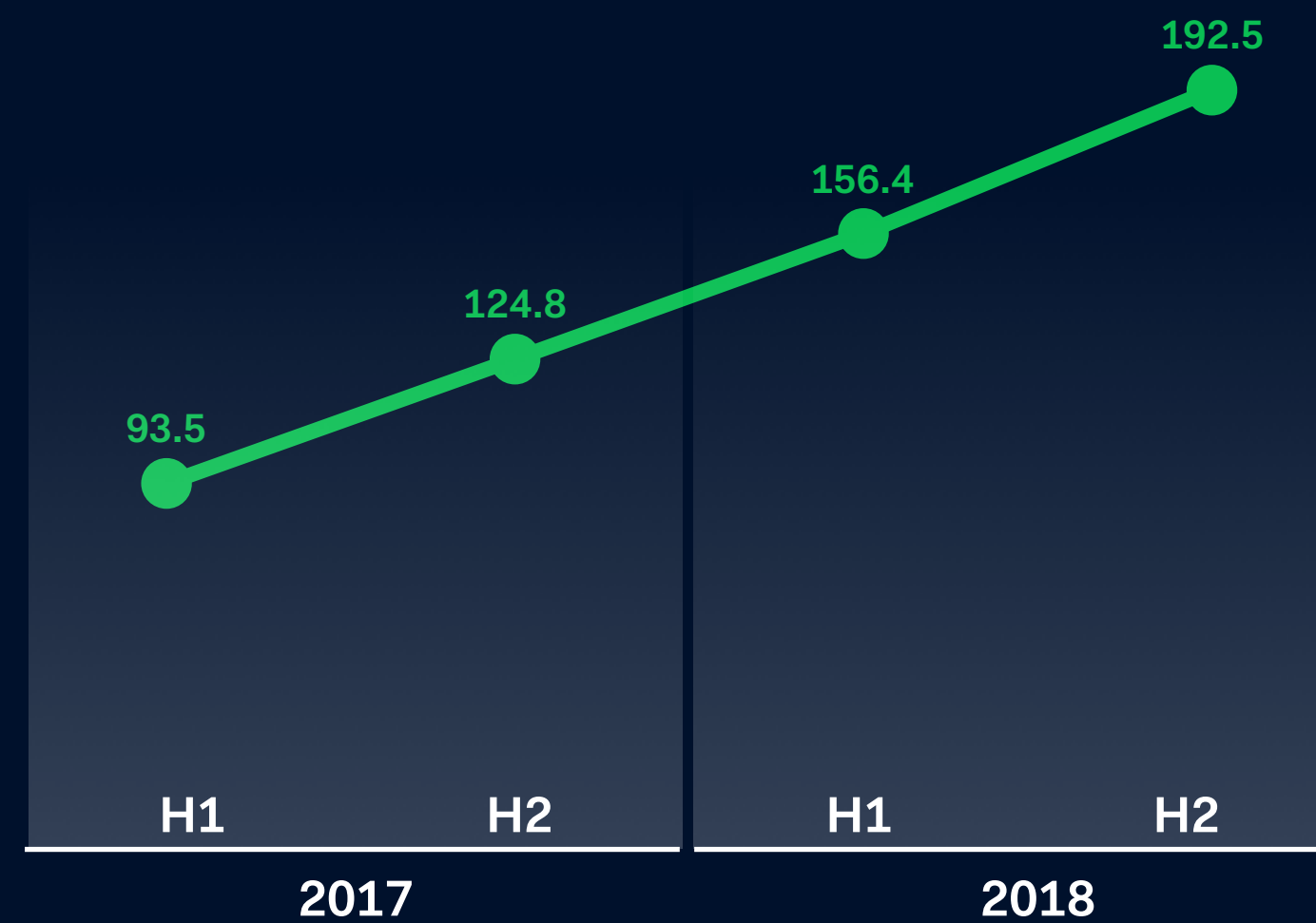
2018

**€159.0 BN**

2017

**€108.4 BN**

47% growth year-on-year



## Net revenue

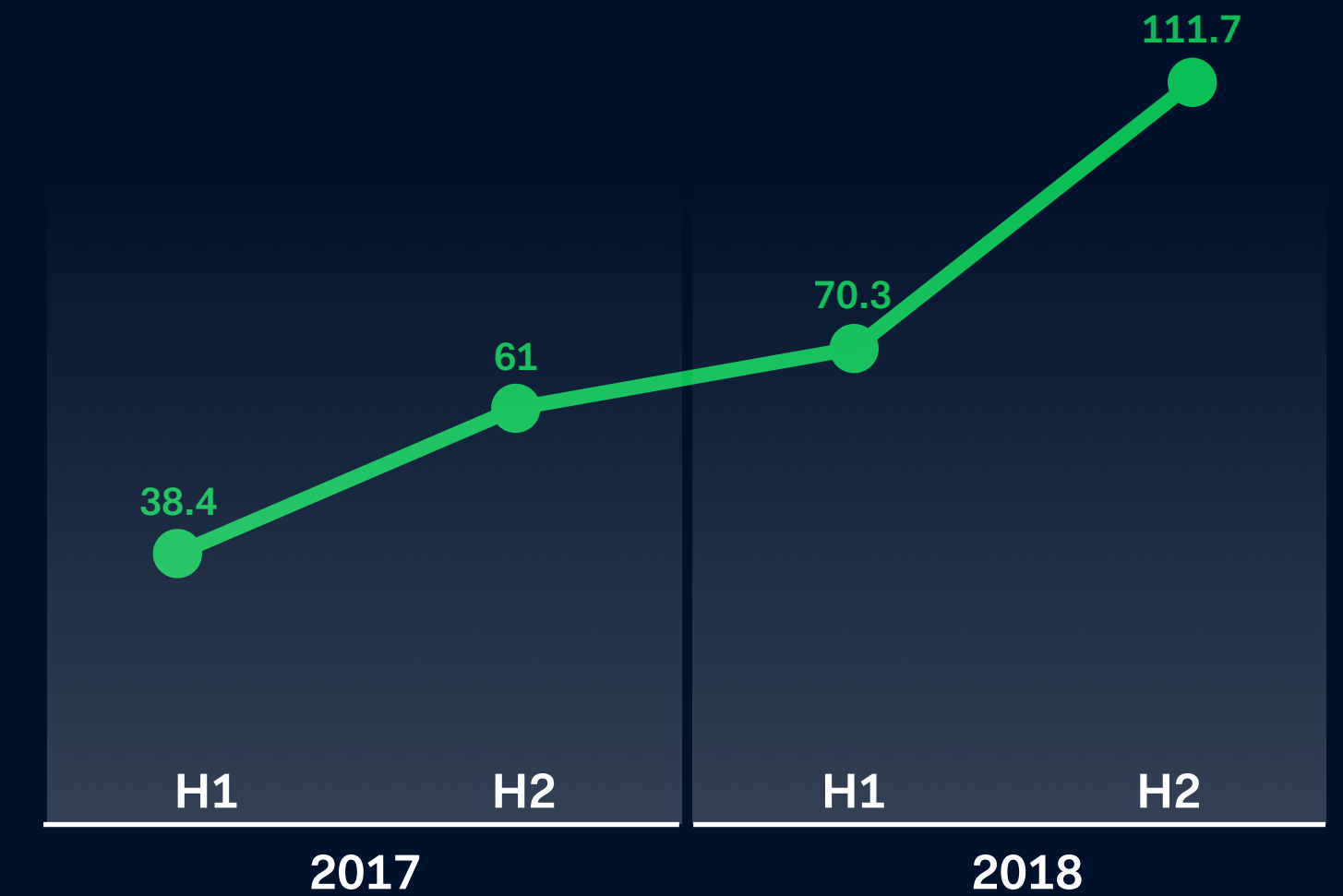
2018

**€348.9 MN**

2017

**€218.3 MN**

60% growth year-on-year



## EBITDA

2018

**€181.9 MN**

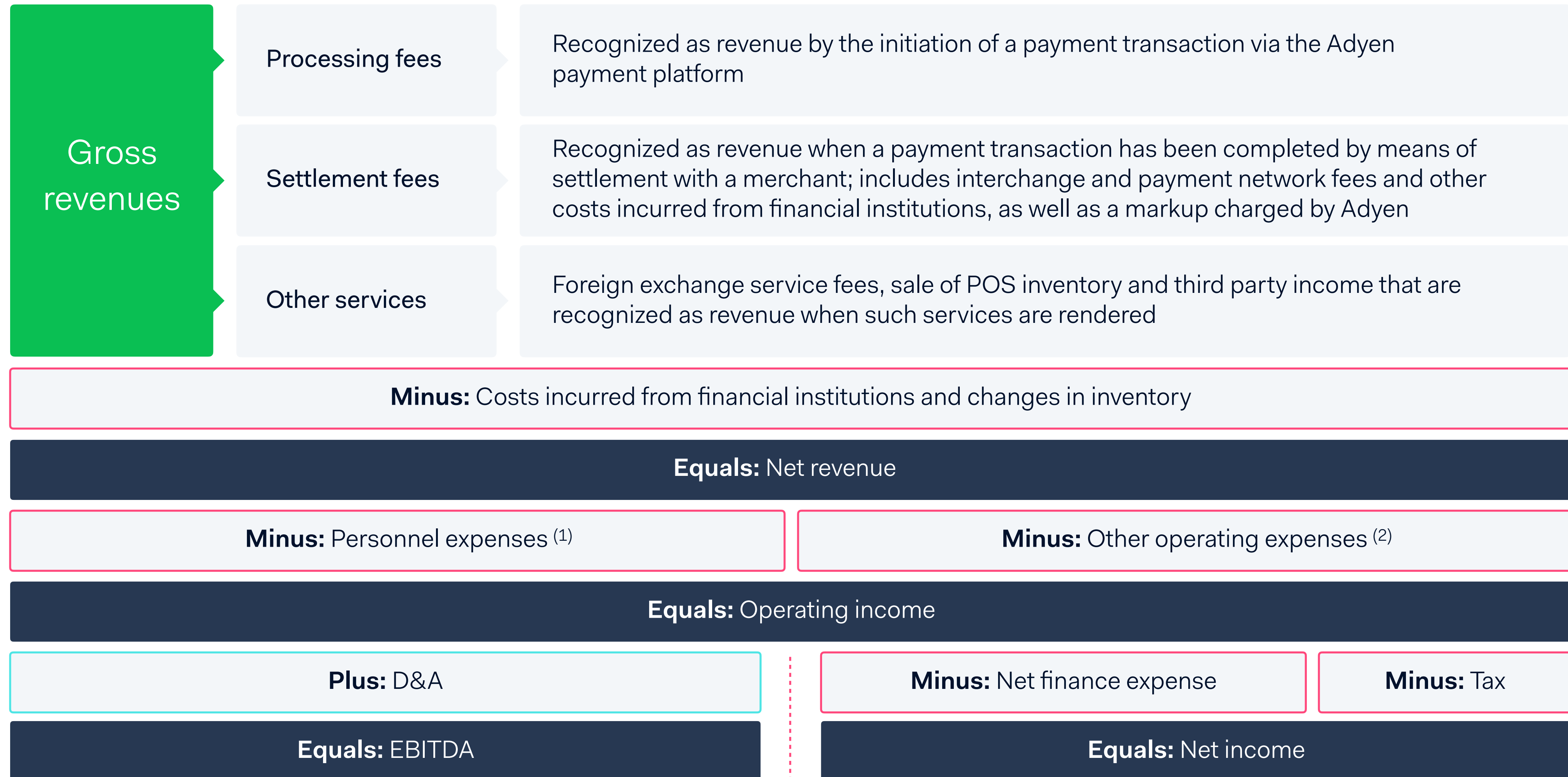
2017

**€99.4 MN**

83% growth year-on-year

# Transparent business model leading to stable financials

## Adyen's financial model

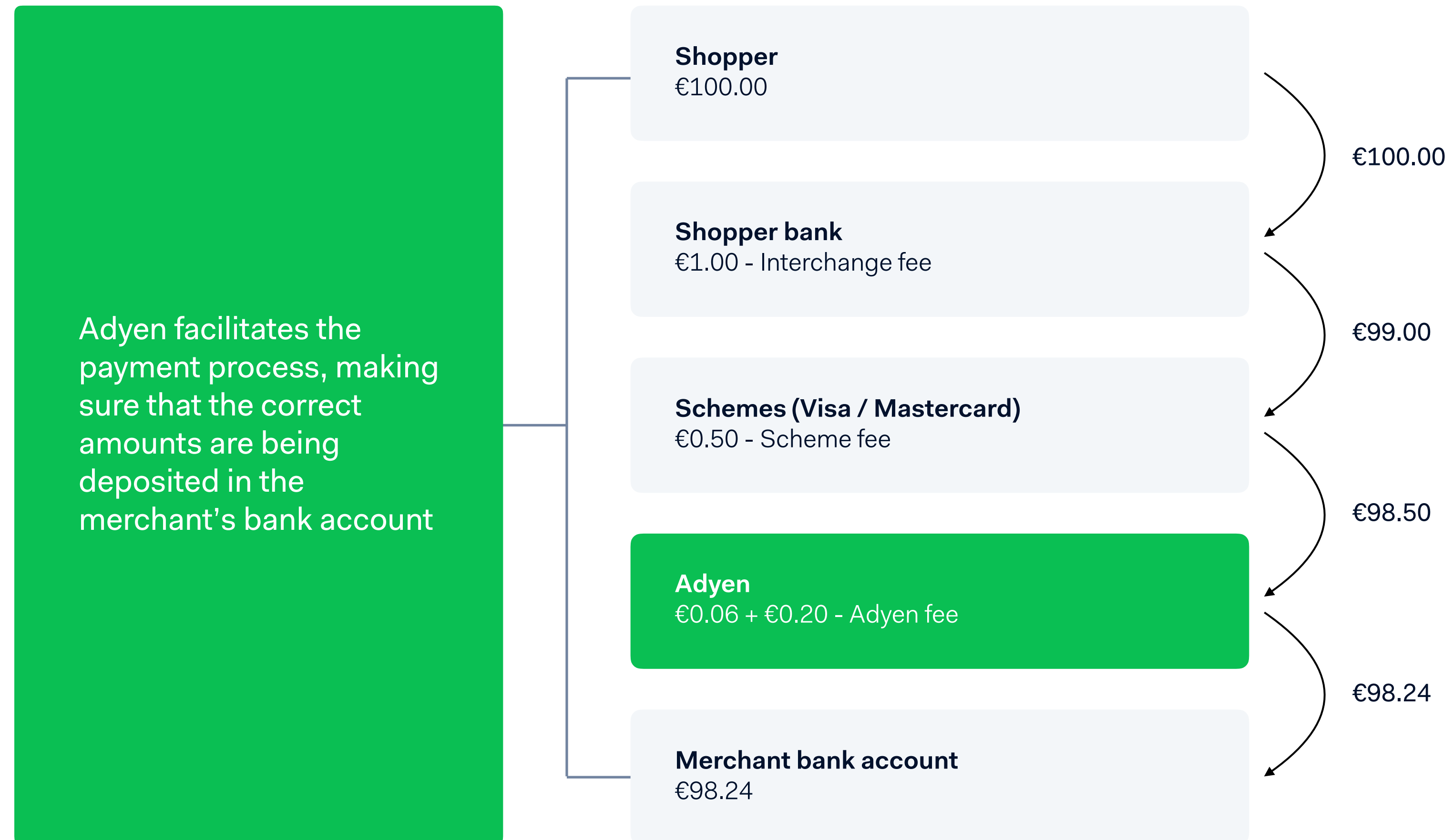


1. Includes wages, salaries, social securities and pension costs

2. Includes amortization and depreciation of tangible and intangible fixed assets (D&A), other operating expenses and other gains and losses

# Transparent business model leading to stable financials

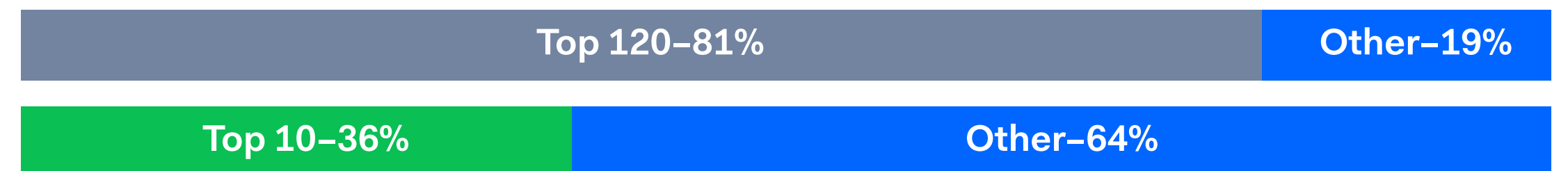
Illustrative value chain positioning overview



High quality and highly diversified merchant base

## Merchant concentration – 2018

Processed volumes



Net revenues





# Leading to high transaction and processed volumes growth

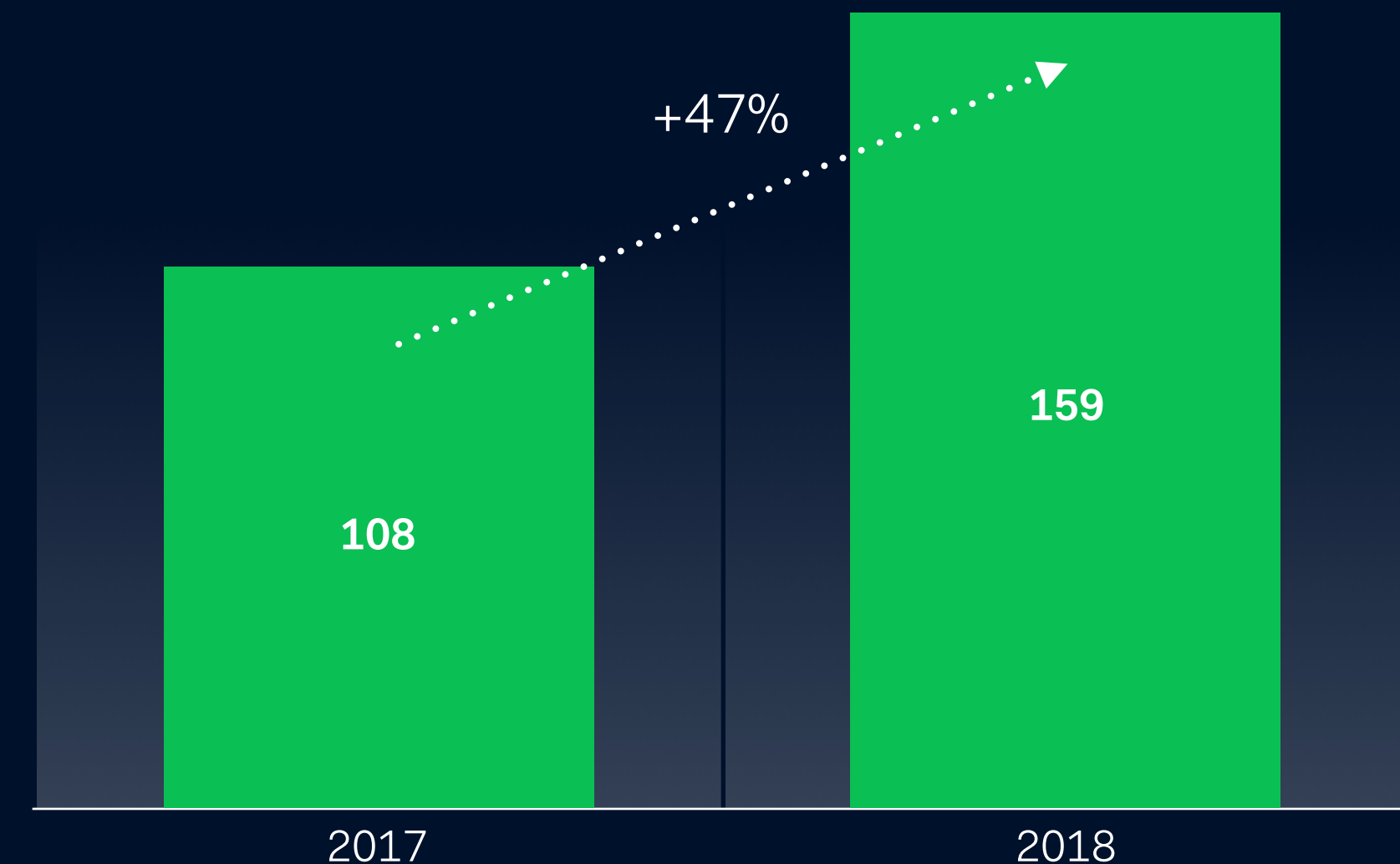
Adyen earns revenues primarily through settlement fees and processing fees charged to its merchants on a per transaction basis

Adyen's growth and high margins have been driven by the substantial **expansion of business with existing merchants** in key markets, as well as the **onboarding of new merchants**

**The full amount of transaction volumes is being received and processed on a single platform and a single code case**

Adyen's **annual merchant churn rate remained at less than 1% of processed volumes in 2018**

Processed volume (€ Bn)



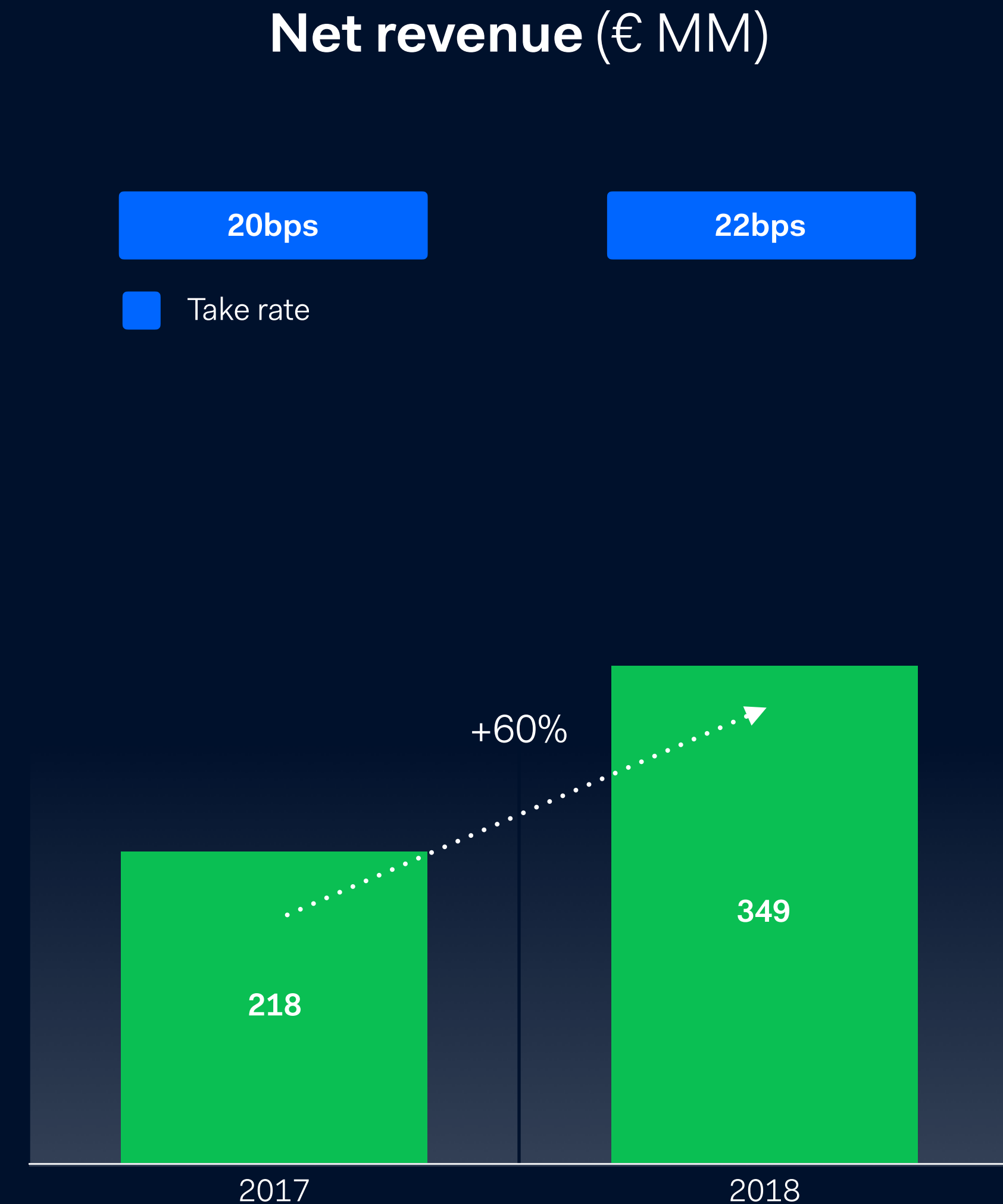
# Rising processed volumes leading to steadily increasing net revenue

## Net revenue

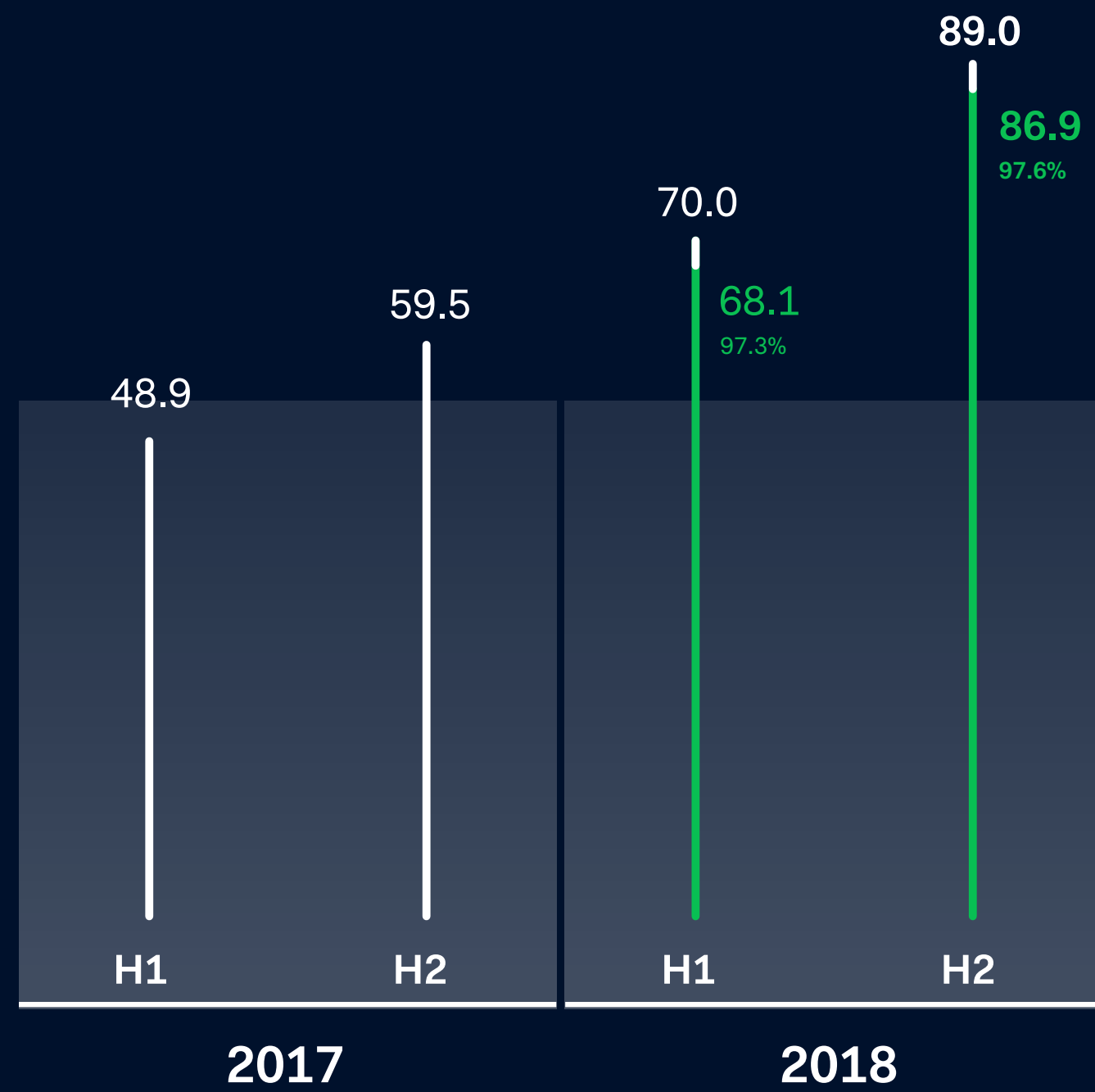
- Net revenue consist of **gross revenue less costs incurred from financial institutions (including interchange and scheme fees) and changes in inventory**
- Net revenue in 2018 increased to €349 million from €218 million for 2017, representing an increase of 60%, primarily as a result of growth in processed volume and the number of transactions settled with merchants

## Take rate

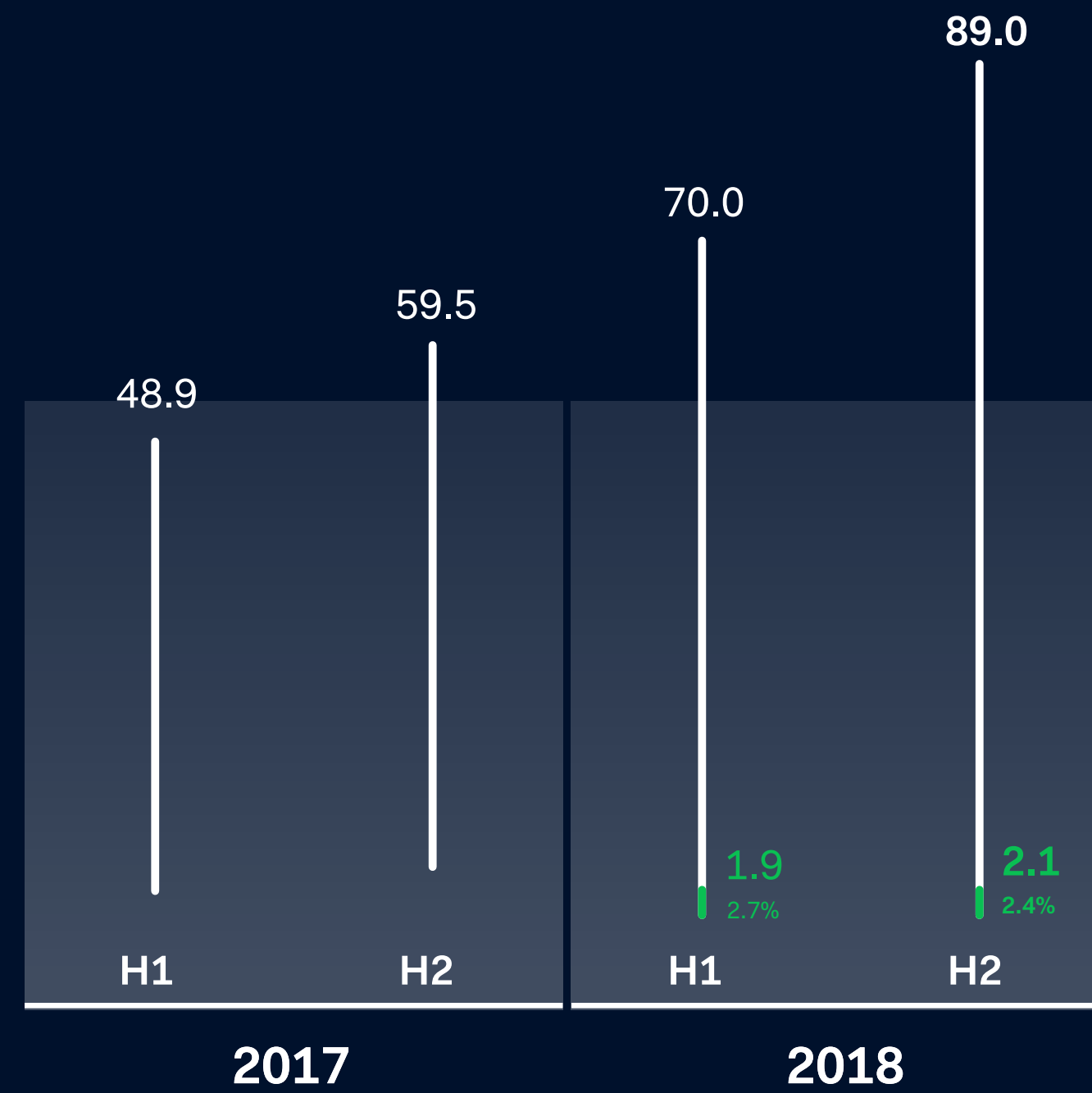
- **Adyen focuses on absolute margins on a merchant-by-merchant basis**, as opposed to targeting take rate levels
- **Adyen does not track take rate as a measure of its business** but rather sees it as an output of merchant discussions and business strategy



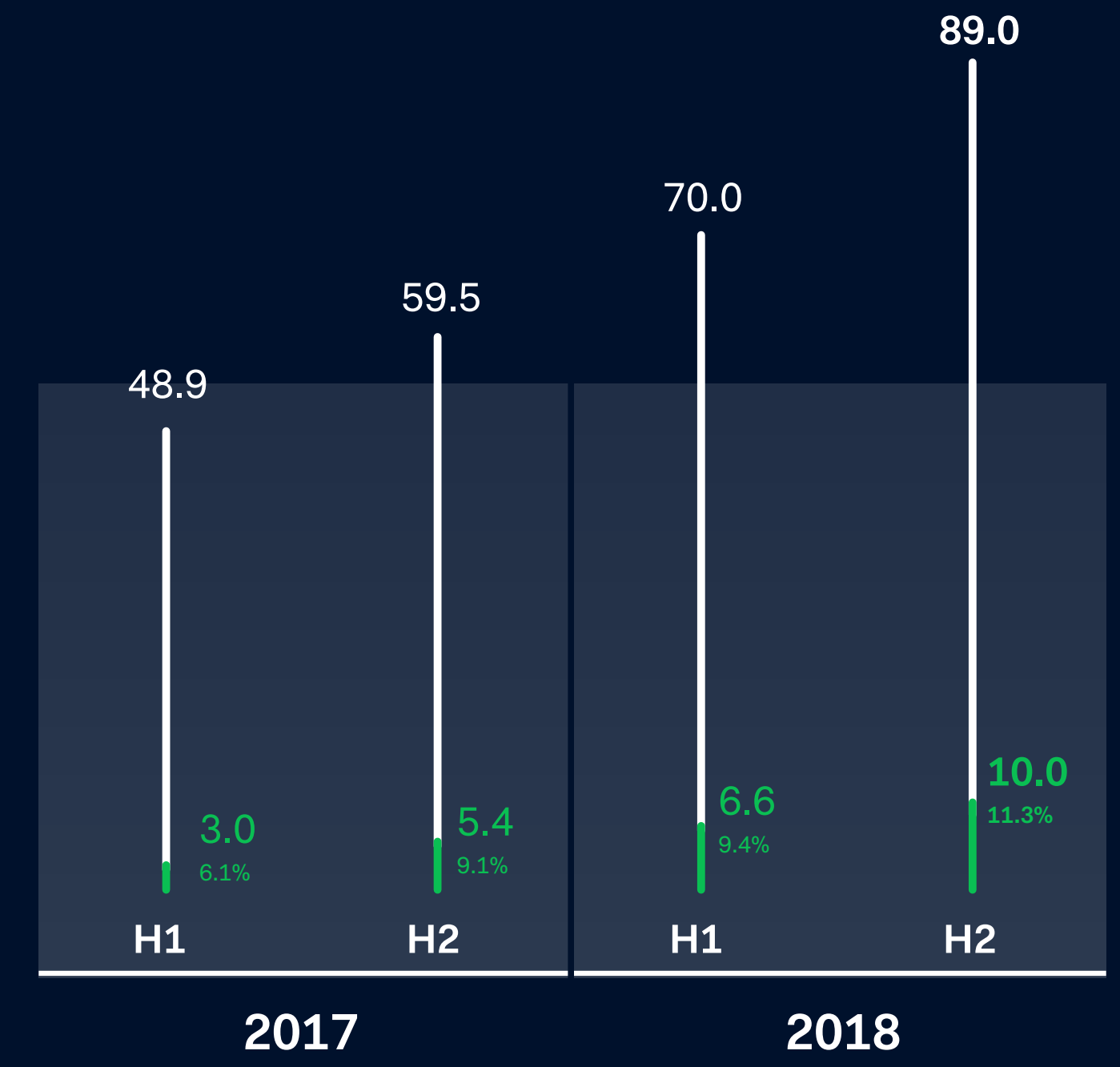
# Significant momentum in growth pillars



Enterprise

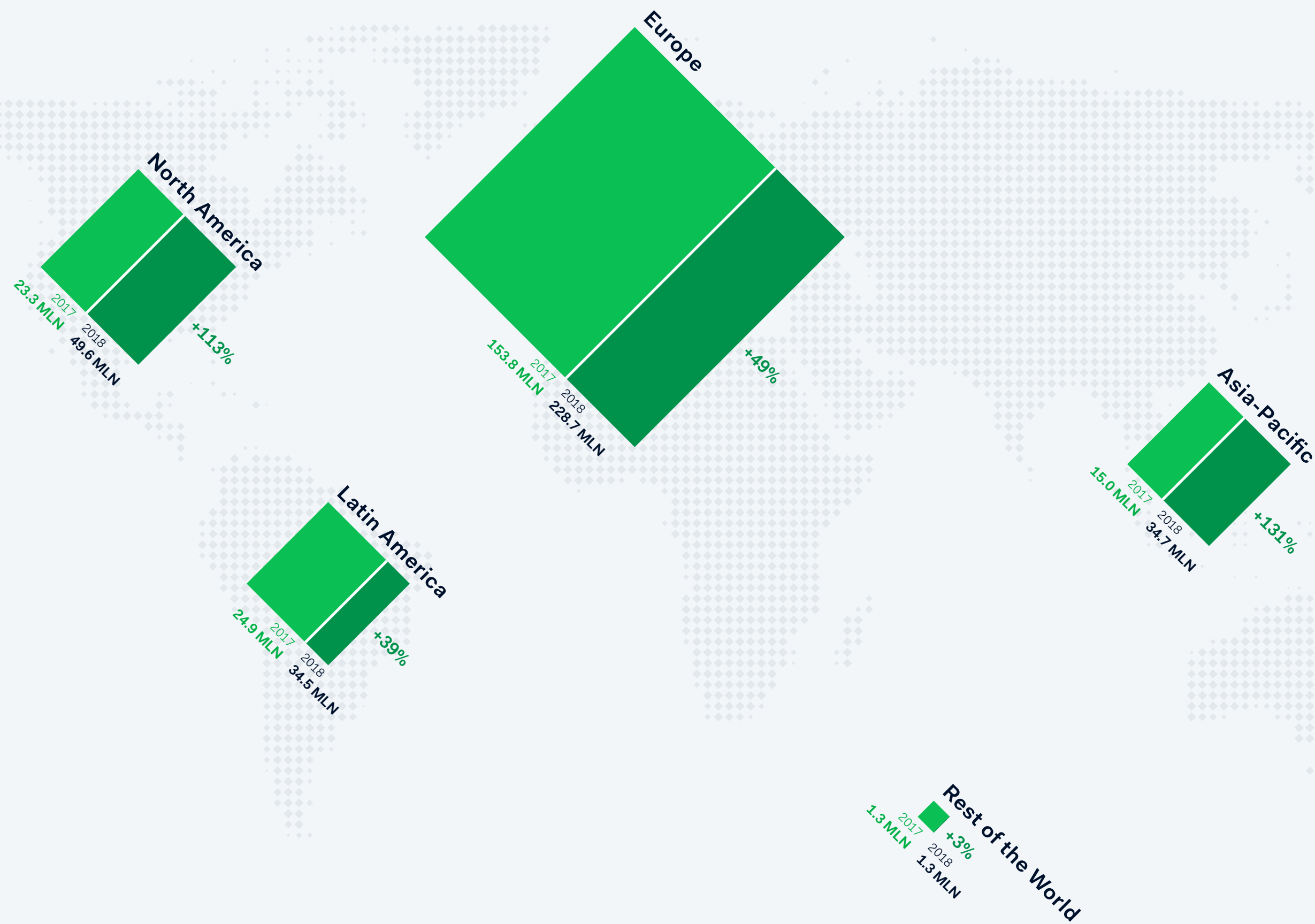


Mid-market



Unified commerce

# Year-on-year growth of net revenue was well diversified across regions



## Net revenue

- **Strong growth in net revenues across geographies**, whereby revenue recognition is based on the billing address of the customer
- **Europe remains the largest net revenue driver** with 66% of total net revenue, down from 70% in 2017
- **Adyen does not track profitability by geography and prefers to take a collaborative approach to sales** whereby all teams are focused on profitability on a per merchant basis

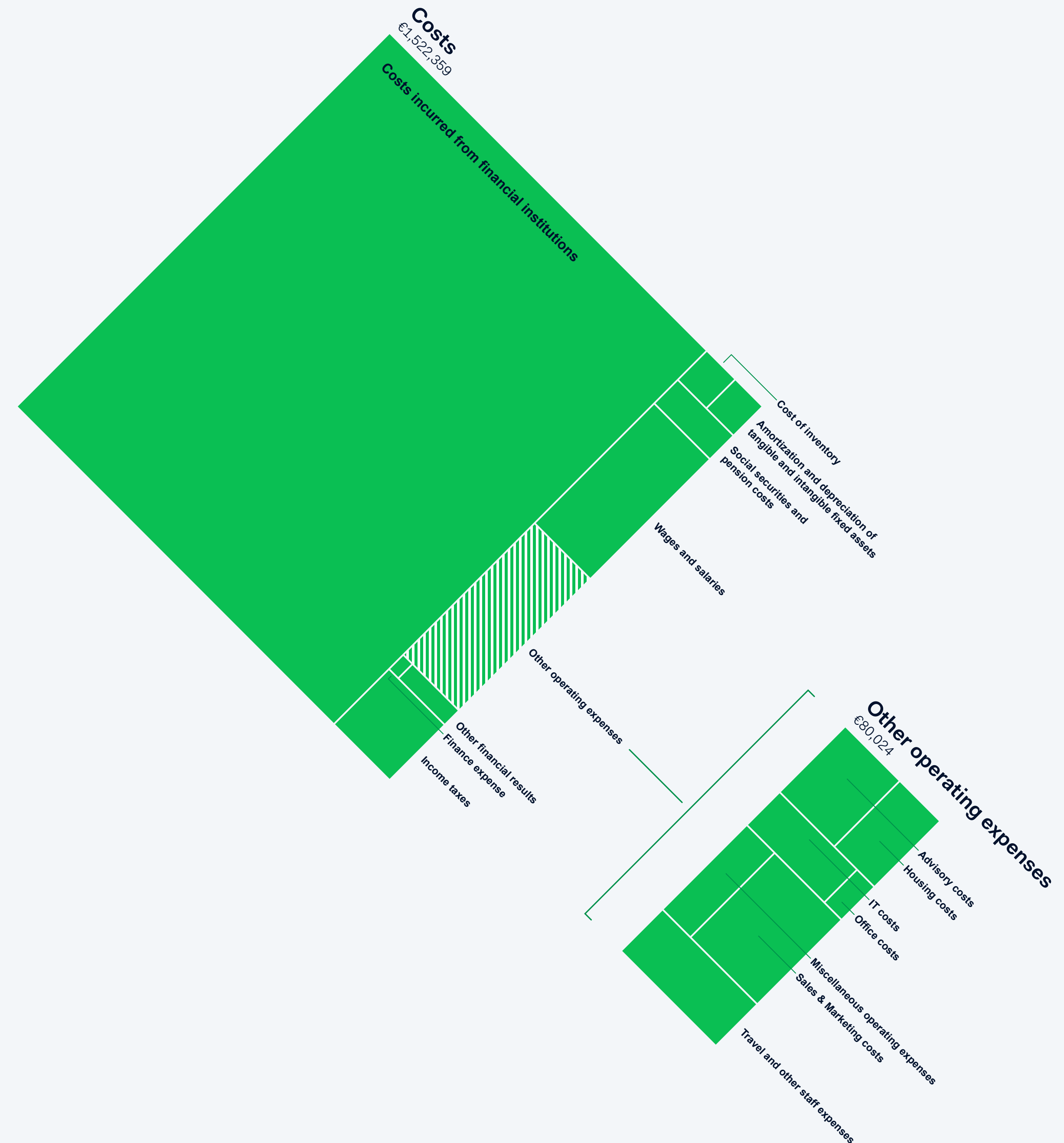
# Sustainable levels of operating expenses

## Operating expenses

- Adyen's main operating expenses are its **employee, technology and sales and marketing costs**
- This is a testament to the scalability of the business with only a **small portion of the cost base linked to increasing volumes**

## Platform costs

- **Adyen has developed its integrated platform entirely in-house**, as it does not significantly **rely on third-party providers** or systems to run its platform. Hence, it is not required to invest significant amounts for maintenance or legacy issues

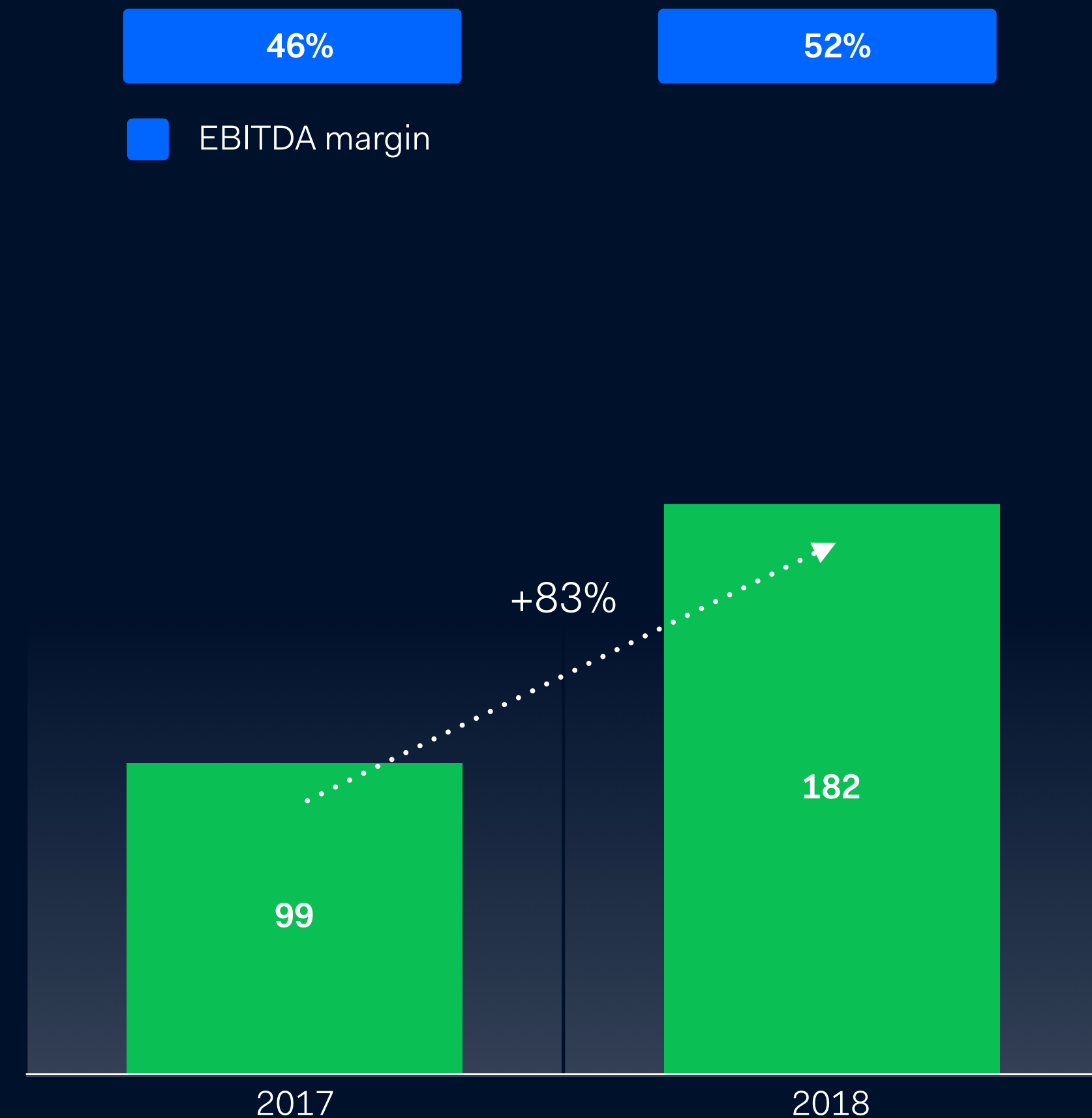


# High EBITDA margin with further potential for growth

## EBITDA and margin

- The company operates with **high scalability and limited marginal costs**
- Adyen aims to improve EBITDA margin, and expects this margin to **benefit from its operational leverage** going forward and increase to levels above 55% in the long-term

## EBITDA<sup>(1)</sup> (€ MM)



<sup>1</sup> EBITDA defined as operating income + amortization and depreciation of tangible and intangible fixed assets

# Highly profitable with increasing net income

## Financial costs and expenses

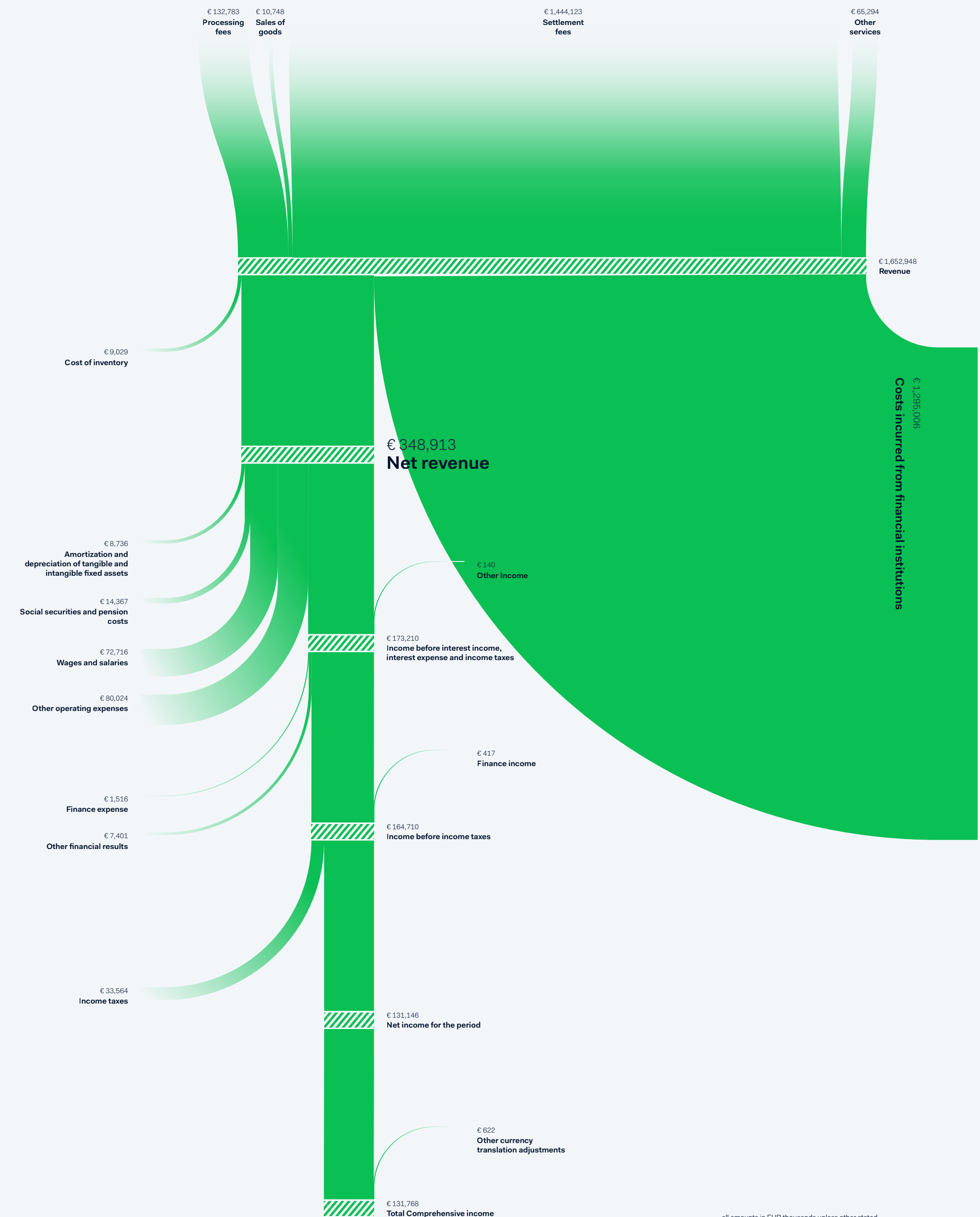
- Adyen is **entirely equity financed** and does not have any debt outstanding in its balance sheet as at December 31, 2018

## Tax rate

- Adyen's **effective tax rate** was 20% in 2018, as compared to 22% in 2017

## Net income

- **2018 net income increased to €131 million** from €71 million in 2017, representing an increase of 84%



# Sustainable and predictable capital expenditure levels

## Breakdown of capital expenditure (€ MM)

	FY 2017	FY 2018
Purchases of plant and equipment	10	11
Capitalization of intangible assets	1	3
<b>Total Capex</b>	<b>11</b>	<b>14</b>

- Adyen has limited capital expenditure needs and limited R&D costs are capitalized – this leads to **low depreciation and amortization expenses and high operating margins**

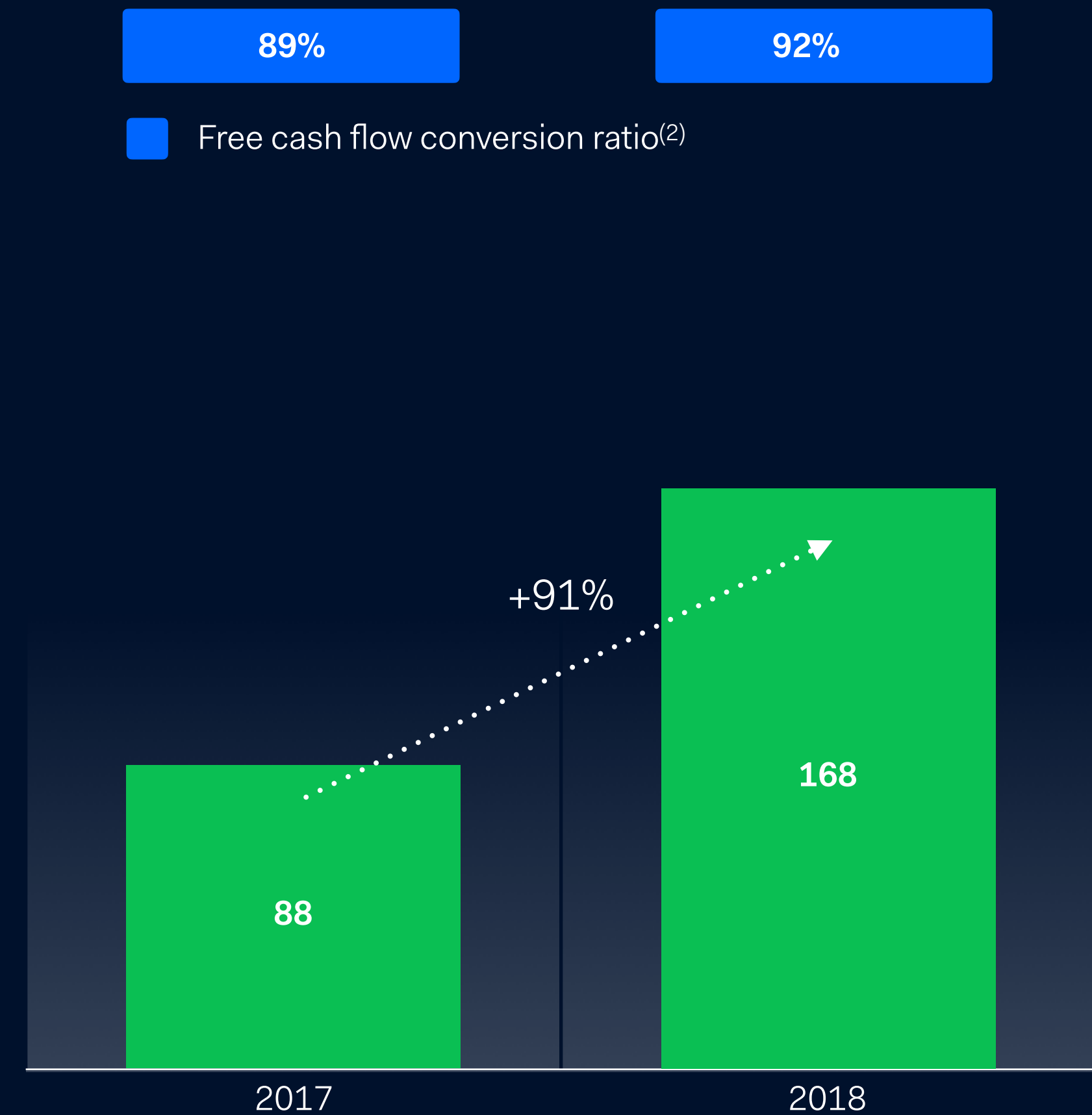
## Outlook

- Adyen aims to maintain a sustainable annual capital expenditure level of up to 5% of net revenues in the medium term, driven by its single platform which provides for significant scalability at limited marginal cost
- Adyen believes its capex investment plan is sustainable and will ensure continued innovation



# High free cash flow conversion

## Free cash flow <sup>(1)</sup> (€ MM)



1. Free cash flow defined as EBITDA – capex

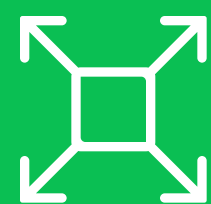
2. Free cash flow conversion defined as (EBITDA – capex)/ EBITDA

# Guidance remains unchanged



## Net revenue growth

Aim to continue the growth of net revenues and achieve a CAGR (compound annual growth rate) between mid-twenties and low thirties in the medium term by executing Adyen's sales strategy <sup>(1)</sup>.



## EBITDA margin

Aim to improve Adyen's annual EBITDA margin, and expect such margin to benefit from our operational leverage and increase to levels above 55% in the long term <sup>(1)</sup>.



## Capital expenditures

Aim to maintain a sustainable capital expenditure level of up to 5% of Adyen's net revenue.

1. Adyen has not defined, and does not intend to define, "medium term" and "long term". These financial objectives should not be read as forecasts, or projections or expected results and should not be read as indicating that Adyen is targeting such metrics for any particular year, but are merely objectives that result from Adyen's pursuit of its strategy. Adyen's ability to meet these objectives is based upon the assumption that Adyen will be successful in executing its strategy and, furthermore, depends on the accuracy of a number of assumptions involving factors that are significantly or entirely beyond Adyen's control and are subject to known and unknown risks, uncertainties and other factors that may result in Adyen being unable to achieve these objectives.



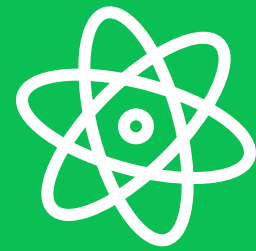
# Growth strategy

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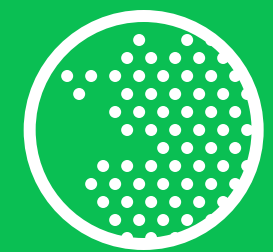
# Adyen vs other players in the market



Single integrated platform



Modern technology



Global



Unified commerce



Incumbent PSPs



Local Banks



SME Enablers

# Trusted partner of the world's leading companies

Selected merchant wins



## Organic growth of existing merchants

Exposure to a number of fast growing brands



## Greater wallet share of existing merchants

- Additional channel sales
- Additional geographic coverage
- Additional product lines

# Multiple avenues for future growth



Continued focus on enterprise merchants



Increasing unified commerce footprint



Expansion into the mid-market segment

# Q&A

# Appendix



# Adyen Financial Statements

Profit and loss statement  
€ MM

	Year ended December 31	
	2018	2017
<b>Gross revenues</b>	<b>1,652.9</b>	<b>1,012.4</b>
Costs incurred from financial institutions	(1,295.0)	(781.5)
Change in inventory	(9.0)	(12.7)
<b>Net revenues</b>	<b>348.9</b>	<b>218.3</b>
Wages and salaries	(72.7)	(55.6)
Social securities and pension costs	(14.4)	(9.2)
Amortization and depreciation of tangible and intangible fixed assets	(8.7)	(5.9)
Other operation expenses	(80.0)	(54.2)
Other income	0.1	0.1
<b>Income before interest income, interest expense and income taxes</b>	<b>119.3</b>	<b>93.5</b>
Finance income	0.4	0.5
Finance expence	(1.5)	(0.8)
Other financial results	(7.4)	(1.0)
<b>Income before income taxes</b>	<b>164.7</b>	<b>92.2</b>
Income taxes	(33.6)	(20.9)
<b>Net income</b>	<b>131.8</b>	<b>71.3</b>

# Adyen Financial Statements

Statement of financial position  
€ MM

	As at December 31	
	2018	2017
<b>Total non-current assets</b>	<b>208.4</b>	<b>54.9</b>
<b>Current assets</b>		
Inventories	7.9	4.0
Receivables from financial institutions	355.6	180.7
Trade and other receivables	42.3	25.6
Current income tax receivables	0.0	2.1
Financial asset at amortized cost	4.4	0.0
Other financial assets at amortized cost	9.8	7.0
Cash and cash equivalents	1,231.9	862.9
<b>Total current assets</b>	<b>1,652.0</b>	<b>1,082.3</b>
<b>Total assets</b>	<b>1,860.4</b>	<b>1,137.2</b>
<b>Total non-current liabilities</b>	<b>47.6</b>	<b>5.1</b>
<b>Current liabilities</b>		
Payable to merchants and financial institutions	1,186.9	717.3
Trade and other payables	32.5	25.0
Current income tax liabilities	10.7	0.0
Deferred revenue	0.4	0.0
<b>Total current liabilities</b>	<b>1,230.4</b>	<b>742.3</b>
<b>Total liabilities</b>	<b>1,060.6</b>	<b>747.4</b>
Share capital	0.3	0.3
Share premium	160.2	149.3
Treasury shares	(4.8)	0.0
Other reserves	69.5	27.9
Retained earnings	357.2	212.2
<b>Total equity</b>	<b>582.4</b>	<b>389.8</b>

# Adyen Financial Statements

Cash flow statement  
€ MM

	Year ended December 31	
	2018	2017
Net cash flows from operating activities	384.0	200.6
Net cash flows from investing activities	(16.4)	(18.0)
Net cash flows from financing activities	5.1	1.0
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>372.7</b>	<b>183.6</b>

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