

Q1 2019 Revenue

April 18, 2019

The logo for Edenred, featuring the word "Edenred" in a white, sans-serif font inside a red circle.

Edenred

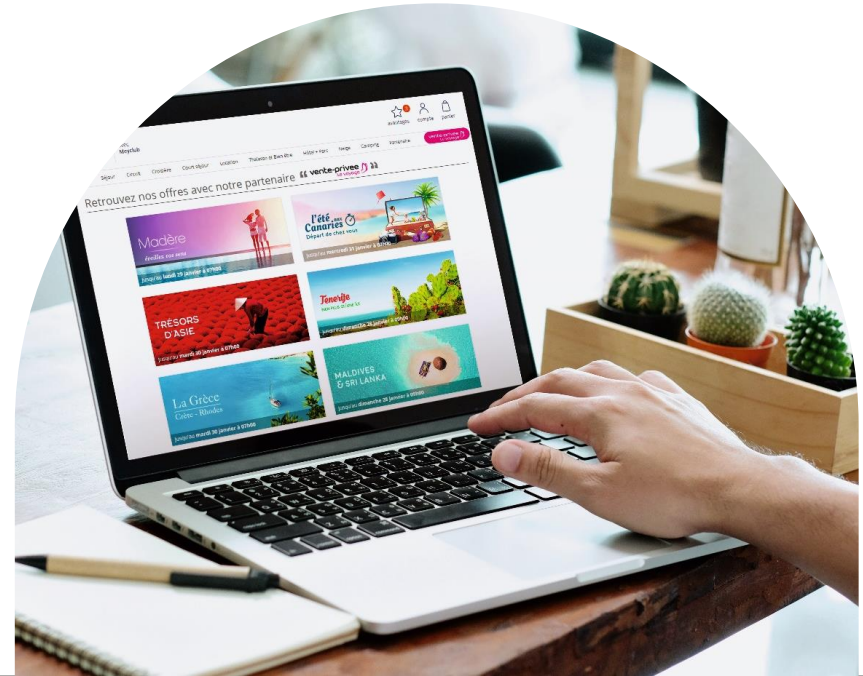
EXECUTIVE SUMMARY

- ▶ Strong start to the year, with **total revenue of €383m, up 15.3% as reported and 14.1% like-for-like:**
 - ▶ **Double-digit like-for-like growth** in both **operating revenue** (+14.2%) and **other revenue** (+12.0%)
 - ▶ **4.0% positive scope effect**
 - ▶ **Slight currency impact** (-2.8%)
- ▶ **Sustained organic operating revenue growth in all regions and all business lines**, in line with 2018 trends, fueled by:
 - ▶ **Business excellence** (e.g., SME targeting)
 - ▶ **Innovation** (e.g. roll-out of mobile payment, employee engagement platforms)
 - ▶ **Good integration** of acquired companies
- ▶ **Edenred tackles 2019 with confidence** and **confirms its medium-term targets for 2019**



Agenda

1. Q1 2019 Revenue & Highlights
2. 2019 Outlook



Q1 2019 TOTAL REVENUE: €383M

Up 15.3%, fueled by strong 14.1% organic growth and positive scope effects

Q1 2019

€383m

Reported

+15.3%

Venezuela

-0.1%

Scope

+4.0%

Currency

(excluding Venezuela)

-2.8%

Like-for-like

(excluding Venezuela)

+14.1%

€332m

Q1 2018

► Total revenue growth in Q1 2019

In €m	Q1 19	Q1 18	Reported change	L/L change (excluding Venezuela)
Operating revenue	369	319	+15.6%	+14.2%
Other revenue	14	13	+7.9%	+12.0%
Total revenue	383	332	+15.3%	+14.1%



Q1 2019 OPERATING REVENUE

Strong start to the year in both organic and reported figures

Q1 2019

€369m

Reported +15.6%

Venezuela -0.1%

Scope +4.1%

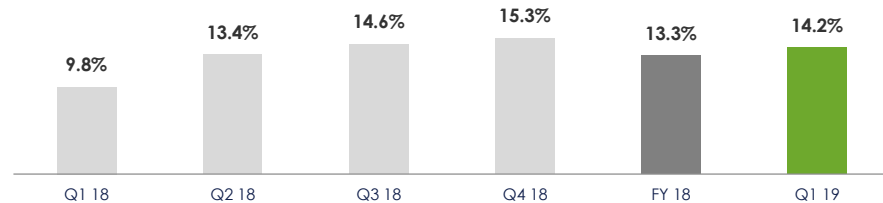
Currency (excluding Venezuela) -2.7%

Like-for-like (excluding Venezuela) +14.2%

€319m

Q1 2018

L/L operating growth



€13m from scope effects

- 3 companies consolidated since January 2019:



CSI (USA; Corporate Payment Services)



TRFC (UK; Fleet & Mobility Solutions)



Merits & Benefits and Ektivita (Belgium; Employee Benefits)

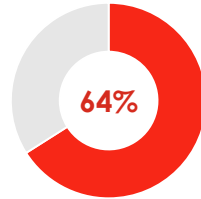
€(9m) from currency effects

	Impact in €m
BRL	(6)
ARS	(3)
MXN	2
Other	(2)

Q1 2019 OPERATING REVENUE BREAKDOWN & GROWTH BY BUSINESS LINE

Double-digit organic growth across all business lines

EMPLOYEE BENEFITS



% OF Q1 2019
GROUP OPERATING
REVENUE

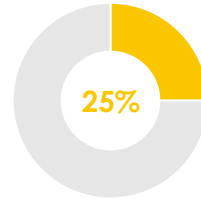
€235m

Q1 2019 OPERATING
REVENUE

+14.5%

Q1 2019 L/L
OPERATING REVENUE GROWTH
(excluding Venezuela)

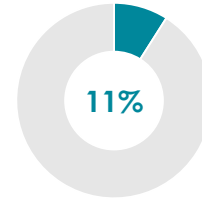
FLEET & MOBILITY SOLUTIONS



€92m

+13.7%

COMPLEMENTARY SOLUTIONS



€42m

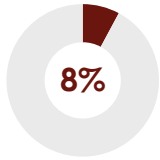
+13.5%

- Corporate Payment Services
- Incentive & Rewards
- Public Social Programs

Q1 2019 OPERATING REVENUE BREAKDOWN & GROWTH BY GEOGRAPHY

Double-digit organic growth across all regions

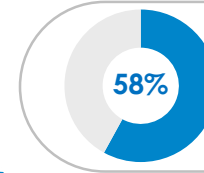
Rest of the World



+20.9% L/L

+64.1% as reported

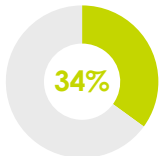
Europe



+13.8% L/L

+16.4% as reported

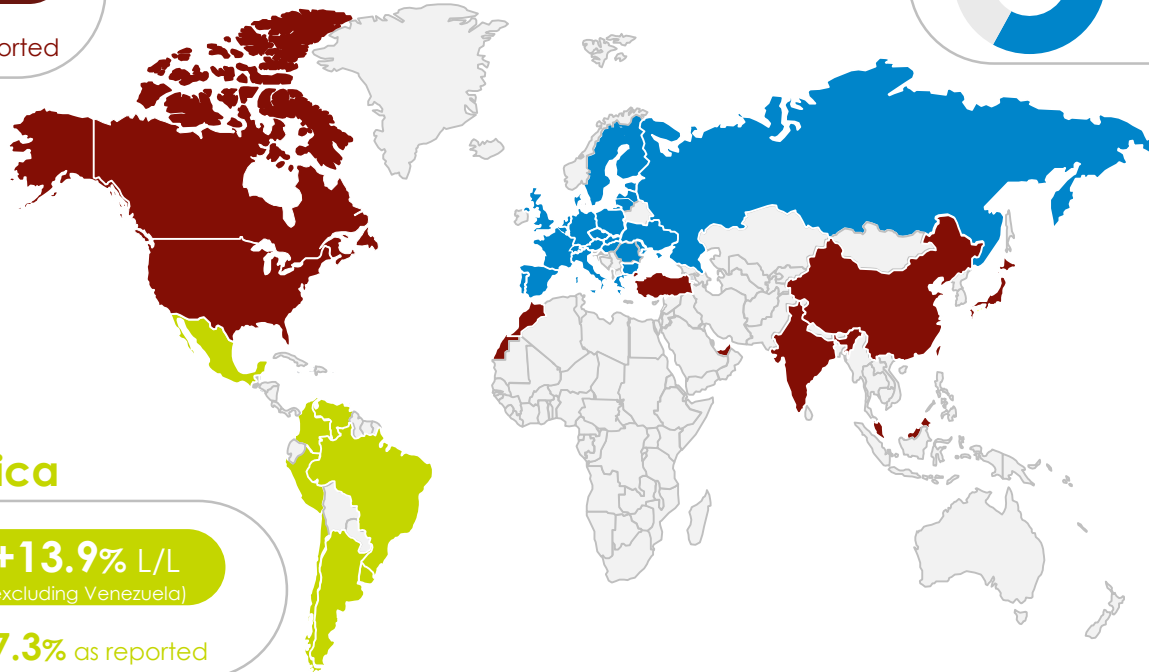
Latin America




+13.9% L/L

(excluding Venezuela)

+7.3% as reported



 % of Q1 2019 Group operating revenue

LEVERAGING PROPRIETARY AND PARTNER CAPABILITIES TO FIT USER NEEDS

Roll-out of innovative payment solutions

Fast, seamless payment with mobile



**+3 programs
and +1 country**

since Dec 2018



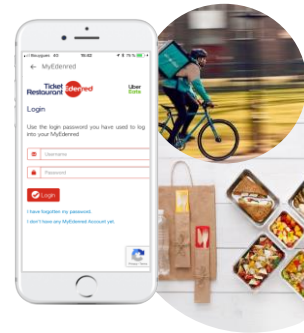
Roll-out of Edenred Direct Payment Services

✓ Ramp-up in France:

- Increased number of transactions with high user engagement (e.g., 34% users ordered more than 5 times)
- New partnerships with local players (Melchior, BoboResto and Dood, on top of existing partners such as Deliveroo and Uber Eats)

✓ Global roll-out:

- Launch in Belgium



- New countries to be launched in 2019

A **global digital platform** is a strong competitive advantage to accelerate growth

- ▶ GLOBAL REACH
- ▶ TIME TO MARKET

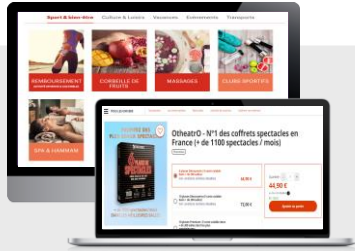
- ▶ COST EFFICIENCY
- ▶ VALUE-ADDED SERVICES

- ▶ TAILOR-MADE SOLUTIONS
- ▶ DIFFERENTIATION



EMPLOYEE ENGAGEMENT PLATFORMS

Continuous investment to reinforce our position



e.g.



since January 2019



NEW

Several use cases

- The employer grants **tax-free benefits**, which the employee can use on a platform
- The employer gives the employee access to the **best deals** on an **e-commerce** platform
- The employer recognizes the employee's work through **a reward**, which can be used on a platform

Value proposition

Employer

- ▶ Foster employee engagement
- ▶ Manage employee benefits and rewards efficiently
- ▶ Leverage tax-free legislation when applicable

Employee

- ▶ Higher purchasing power

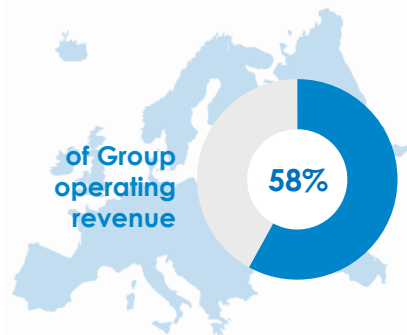


- ▶ Vastly under-penetrated market
- ▶ Cross-selling opportunities
- ▶ Higher retention, leveraging B2C2B logic
- ▶ Scale effect, leveraging merchant network and technology platform
- ▶ User monetization (top-up)



Q1 2019 OPERATING REVENUE – EUROPE

Sustained organic growth across the board, ongoing integration of last acquisitions



Q1 2019
operating revenue

€213m

+13.8% L/L

+16.4% as reported
vs. €183m in Q1 2018

2019 vs. 2018 L/L growth

FY 18

Q1 19

France

+10.0%

+9.0%

Europe excl. France

+16.8%

+16.3%

Total Europe

+14.6%

+13.8%

- ▶ **Sustained double-digit organic growth** momentum in both Employee Benefits and Fleet & Mobility solutions
- ▶ **Business excellence and innovation fueling growth**, e.g.:
 - ▶ SME targeting in all business lines
 - ▶ Development of **employee engagement platforms in Employee Benefits**
 - ▶ Strong ramp-up of **Fleet & Mobility Solutions** for **light fleets**
- ▶ **Ongoing integration of last acquisitions:** **The Right Fuelcard Company** in the UK, **Merits & Benefits/Ekivita** in Belgium
- ▶ **CM-CIC** meal card migration completed in France

Q1 2019 OPERATING REVENUE – LATIN AMERICA

Double-digit organic growth in line with 2018 trend



Q1 2019
operating revenue
€128m
+13.9% L/L

+7.3% as reported
vs. €119m in Q1 2018

2019 vs. 2018 L/L growth
(excluding Venezuela)

	FY 18	Q1 19
Hispanic Latin America	+17.7%	+19.7%
Brazil	+10.0%	+11.7%
Total Latin America	+12.0%	+13.9%

- ▶ **Good momentum** in both Employee Benefits and Fleet & Mobility Solutions
- ▶ **Recovery of Employee Benefits in Brazil**, at a time of still high unemployment
- ▶ **Solid growth in Employee Benefits in Hispanic Latin America**, with double-digit growth in Mexico
- ▶ **Strong growth in Fleet & Mobility Solutions**, boosted by:
 - ▶ **Client wins** in an under-penetrated market
 - ▶ **Innovative services:** Maintenance, toll, freight management
 - ▶ **Corporate expense:** fast ramp-up of Empresarial

Q1 2019 OTHER REVENUE

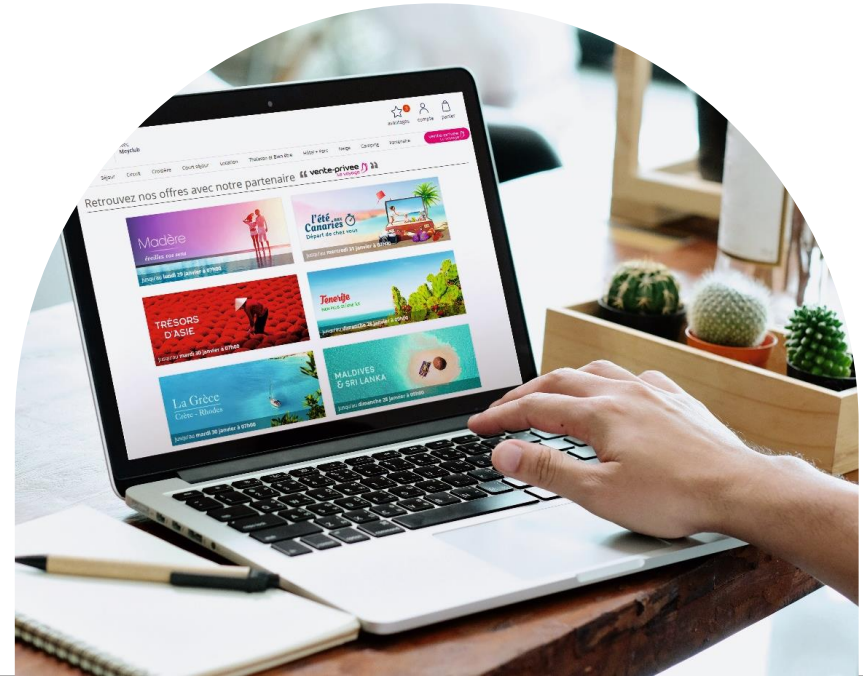
In €m	Q1 18	Q1 19	Reported change	L/L change <small>(excluding Venezuela)</small>
Latin America	8	9	+1.9%	+5.4%
Europe	4	4	+11.9%	+12.0%
Rest of the World	1	1	+42.5%	+66.0%
Total	13	14	+7.9%	+12.0%

Other revenue boosted by:

- Good business momentum
- Slightly higher interest rates in some European countries outside the eurozone
- More favorable comparison basis since Q1

Agenda

1. Q1 2019 Revenue & Highlights
2. **2019 Outlook**



2019 OUTLOOK

Tackling 2019 with confidence

Sustained growth in all regions and all business lines, driven by:

- ▶ **Disciplined go-to-market** approach and **digital agility** to further grow in under-penetrated markets
- ▶ **Innovation across all business lines:**
 - Digital innovation, e.g., mobile payment, app-to-app direct payment
 - Product and service launches:
 - Employee engagement platforms
 - Light fleet and toll solutions in Europe
 - Empresarial in Latin America
 - Light banking
 - Corporate Payment services
- ▶ **Integration and ramp-up of 2018 acquisitions and partnerships**
 - Employee Benefits:
 - Activate indirect distribution channels to boost growth both in Europe and Brazil
 - Mutualize and deploy employee engagement platforms in Europe
 - Fleet & Mobility Solutions:
 - Pursue European multiservice expansion strategy (TRFC, Road Account)
 - Innovate with new services in Latam
 - Corporate Payment:
 - Integrate CSI in North America

Edenred confirms Fast Forward's annual medium-term targets for 2019



**FAST
FORWARD**

> +7%

L/L operating
revenue growth

> +9%

L/L operating
EBIT growth

> +10%

L/L FFO growth

SAVE THE DATE – OCTOBER 23, 2019



Capital Markets Day
in London
October 23, 2019

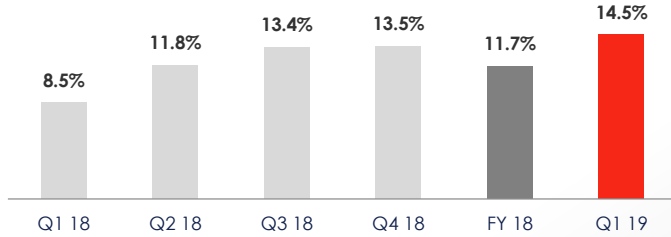




Appendices

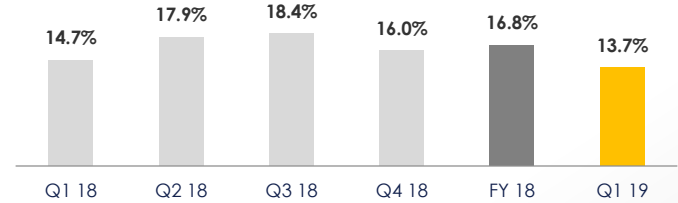
SUSTAINABLE GROWTH IN BOTH EMPLOYEE BENEFITS AND FLEET & MOBILITY SOLUTIONS

Employee Benefits



L/L operating revenue growth (excluding Venezuela)

Fleet & Mobility



L/L operating revenue growth



REVENUE BY REGION

Operating revenue

In € millions	Q1	
	2019	2018
Europe	213	183
<i>France</i>	69	63
<i>Rest of Europe</i>	144	120
Latin America	128	119
Rest of the world	28	17
Operating revenue	369	319

In %	Q1	
	Reported	L/L (excl. Venezuela)
Europe	+16.4%	+13.8%
<i>France</i>	+9.0%	+9.0%
<i>Rest of Europe</i>	+20.3%	+16.3%
Latin America	+7.3%	+13.9%
Rest of the world	+64.1%	+20.9%
Operating revenue	+15.6%	+14.2%

Other revenue

In € millions	Q1	
	2019	2018
Europe	4	4
<i>France</i>	2	2
<i>Rest of Europe</i>	2	2
Latin America	9	8
Rest of the world	1	1
Other revenue	14	13

In %	Q1	
	Reported	L/L (excl. Venezuela)
Europe	+11.9%	+12.0%
<i>France</i>	-1.3%	-1.3%
<i>Rest of Europe</i>	+24.0%	+24.1%
Latin America	+1.9%	+5.4%
Rest of the world	+42.5%	+66.0%
Other revenue	+7.9%	+12.0%

Total revenue

In € millions	Q1	
	2019	2018
Europe	217	187
<i>France</i>	71	65
<i>Rest of Europe</i>	146	122
Latin America	137	127
Rest of the world	29	18
Total revenue	383	332

In %	Q1	
	Reported	L/L (excl. Venezuela)
Europe	+16.3%	+13.7%
<i>France</i>	+8.7%	+8.7%
<i>Rest of Europe</i>	+20.3%	+16.4%
Latin America	+6.9%	+13.3%
Rest of the world	+62.9%	+23.5%
Total revenue	+15.3%	+14.1%

AVERAGE EXCHANGE RATE

€1 = X foreign currency	Average rates		
	Q1 2019	Q1 2018	2019 vs. 2018 Change (in%)
Brazilian real (BRL)	4.28	3.99	-6.7%
Mexican Peso (MXN)	21.80	23.03	5.6%
Argentine Peso (ARS)	44.33	24.23	-45.3%
British Pound Sterling (GBP)	0.87	0.88	1.3%
Turkish Lira (TRY)	6.11	4.69	-23.2%
US Dollar (USD)	1.14	1.23	8.3%
Bolivar Sovereign (VES) *	2 992	0.28	-99.99%

Average rates			
Q2 2018	Q3 2018	Q4 2018	FY 2018
4.29	4.60	4.35	4.31
23.12	22.07	22.62	22.71
28.02	37.38	42.37	33.00
0.88	0.89	0.89	0.88
5.22	6.60	6.28	5.70
1.19	1.16	1.14	1.18
0.85	34.07	182.87	54.52

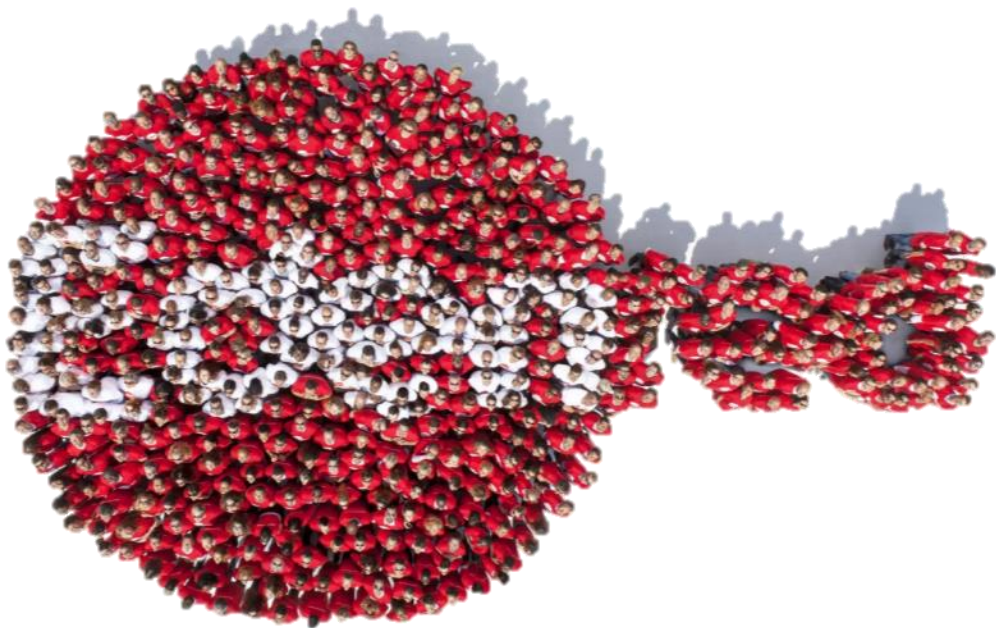
* New currency from 22/08/18 : 1 VES = 1 VEF / 100 000



2019 EXPECTED CALENDAR EFFECTS

	Q1	Q2	Q3	Q4	2019
<i>Working days</i>	Nb of days	Nb of days	Nb of days	Nb of days	Nb of days
Europe	-1	0	1	0	0
Latin America	0	-1	2	2	2
Rest of the world	-1	1	1	0	2
TOTAL	-1	0	2	0	1





CONTACT

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