H1 2011 Results

CONFERENCE CALL

August 25, 2011

Edenred

Executive Summary

Strong H1 results after one year as a standalone company, reflecting Edenred's robust business model and the first effects of the strategy implementation

H1 2011 Key Figures

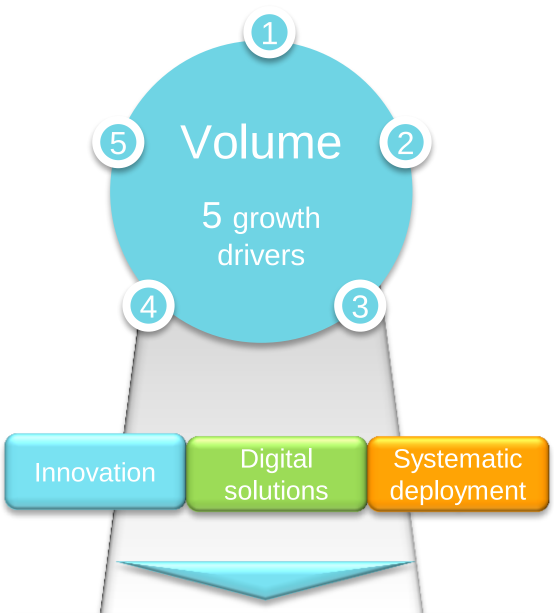
In € millions

	H1 2011	L/L growth
Issue Volume	7,264	+10.0%
Total revenue	501	+9.8%
EBIT	167	+12.1%
Recurring profit after tax	96	+31.3% (1)
Funds From Operations	119	+20.2%

(1) Growth as reported

A strategy driven by organic growth: Focus on issue volume growth in our core business

Invent 2016
Conquer 2012
Win 2010



		Normalized target	*FY 2010*	*H1 2011*
1	Increase penetration rate in existing markets	2-5%	5.4%	**4.8%**
2	Create new solutions and deploy existing ones	2-4%	0.6%	**0.7%**
3	Extend geographical coverage	1-2%	0.0%	**0.0%**
4	Increase face value	1-3%	4.0%	**4.5%**
5	Implement a targeted acquisitions strategy			
			10.0%	**10.0%**

FFO: normalized growth target of over 10% per year L/L

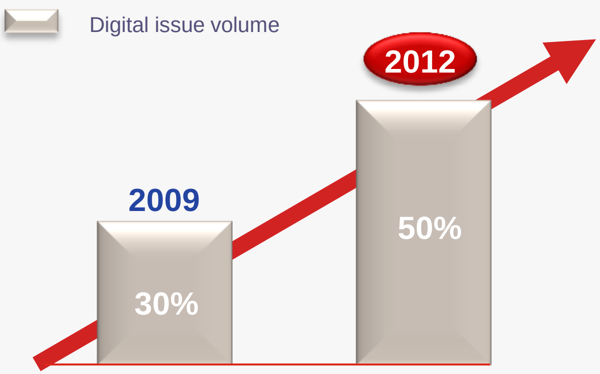
Issue volume: normalized[(1)] growth target of 6% to 14% L/L per year

H1 2011 issue volume up 10.0% and FFO up 20.2% L/L, in line with our mid-term target

(1) Normalized growth means the level of growth that the Group believes it can achieve in an economic environment in which there is no increase in unemployment.

Digital strategy: create the conditions to conquer new market for growth

Acceleration of the shift to paperless solutions in 2011/2012



One-shot extra costs over 2011/2012: €10m to €15m per year

Shift to digital in H1 2011

- **Geographic deployment:**
  - ✓ **Latin America:** acceleration of the switch in all Hispanic Latin American countries
  - ✓ **Europe:** launch of meal voucher cards in Belgium and Sweden
- **Digital extra costs in H1 2011:** €6m, in line with the FY guidance of €10m to €15m

Operating flow-through ratio(1) in H1 2011:
49% before digital extra costs
32% after €6m digital extra costs

Target confirmed: 50% digital issue volume by 2012

(1) Ratio between the like-for-like change in operating EBIT and the like-for-like change in operating revenue

H1 2011 Results

Chapter 1

Income Statement - Key figures

In € millions	June 2010	June 2011	Change reported	Change L/L[1]
Issue volume	**6,615**	**7,264**	**+9.8%**	**+10.0%**
Operating revenue	422	456	+8.1%	+9.2%
Financial revenue	39	44	+14.8%	+16.0%
Total revenue	**461**	**501**	**+8.6%**	**+9.8%**
Operating EBIT[2]	116	123	+5.7%	+10.8%
Financial EBIT[3]	39	44	+14.8%	+16.0%
Total EBIT	**155**	**167**	**+8.0%**	**+12.1%**
Operating profit before tax and non-recurring items	114	144	+25.8%	
Recurring profit after tax	**72**	**96**	**+31.3%**	
Recurring earnings per share[4] after tax (in €)	0.32	0.42		

[1] Like-for-like: at comparable scope of consolidation and constant exchange rates
[2] EBIT excluding financial revenue
[3] Corresponding to financial revenue
[4] Average number of shares : 225,897,396

H1 2011 Issue Volume by solution

	Corporate B2B				Public B2B	
	Employee Benefits		Expense Management	Incentive & Rewards	Public Social Programs	TOTAL
	Meal and Food	Quality of life				
Issue Volume *(in € millions)*	5,794	520	618	271	61	7,264
As a % of IV	80%	7%	8%	4%	1%	100%
L/L change H1 2011/ H1 2010	+10%	+10%	+19%	-3%	+17%	+10%

Robust business in Employee Benefits, Expense Management and Public Social Programs

Incentive & Rewards negatively impacted by the B2C Kadéos gift activity in France

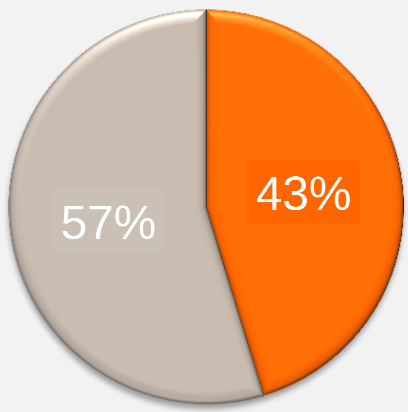
H1 2011 Issue Volume by region

Strong performance by emerging markets

Emerging markets:

Strong growth, to be compared with 15% growth in FY2010

+18%*(1)*



As a % of H1 2011 issue volume

Developed markets:

Excluding CONSIP contract loss(2), growth would be up 3.5%, in line with FY2010

+1% *(1)*

(1) Like-for-like growth
(2) CONSIP contract loss in Italy, representing €81m

Contribution of Growth Drivers to H1 2011 Issue Volume

H1 2011 organic issue volume growth — 10.0% =

- **3** Create new solutions — 0.7%
- **2** Increase face value — 4.5%
- **1** Increase penetration rate — 4.8%

New solutions

+0.7% L/L in H1 2011

- H1 2011 performance in line with FY 2010 (+0.6%)
- Gradual ramp-up to be expected from 2012, by systematically deploying new solutions

Face value

+4.5% L/L in H1 2011

Ticket Restaurant®	% change in average face value	Local inflation rate
Brazil	+7.4%	+6.7%
Italy	+2.8%	+2.7%
France	+1.0%	+2.1%

Penetration rate

+4.8% L/L in H1 2011

Penetration in new companies (1)		New contracts in nb of beneficiaries	As a % of total number
Ticket Restaurante®	Brazil	35,026	2.6%
Ticket Restaurant®	France	19,661	1.7%
Childcare Vouchers®	UK	15,551	11.0%

(1) Penetration in new companies, excluding net gain from competition and new beneficiaries in existing contracts

H1 2011 EBIT: €167m

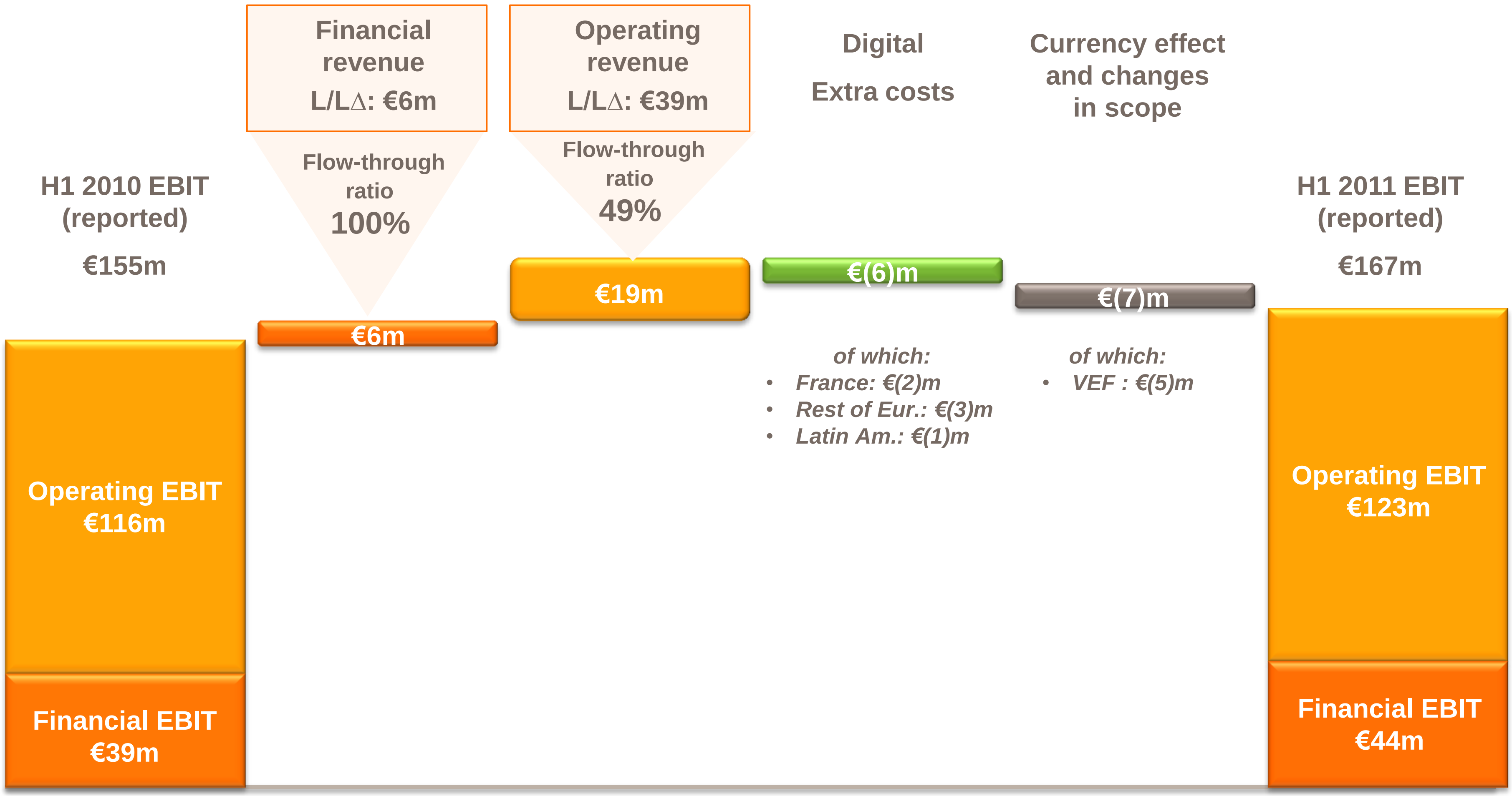
In € millions	June 2010	June 2011	Change reported	Change L/L
Operating revenue generated by issue volume	343	374	+9.1%	+8.6%
Other operating revenue	79	82	+3.7%	+11.6%
Total operating revenue	422	456	+8.1%	+9.2%
Financial revenue	39	44	+14.8%	+16.0%
Total revenue	**461**	**501**	**+8.6%**	**+9.8%**
Operating EBIT	116	123	+5.7%	+10.8%
Financial EBIT	39	44	+14.8%	+16.0%
Total EBIT	**155**	**167**	**+8.0%**	**+12.1%**
Net operating margin [(1)]	*1.8%*	*1.7%*	*-0.1pt*	

[(1)] Net operating margin: operating EBIT as a percentage of issue volume

Double-digit growth in EBIT (+12.1% L/L), driven by:

- **Operating EBIT growth: +10.8% L/L**
- **Financial EBIT rise: +16.0% L/L**

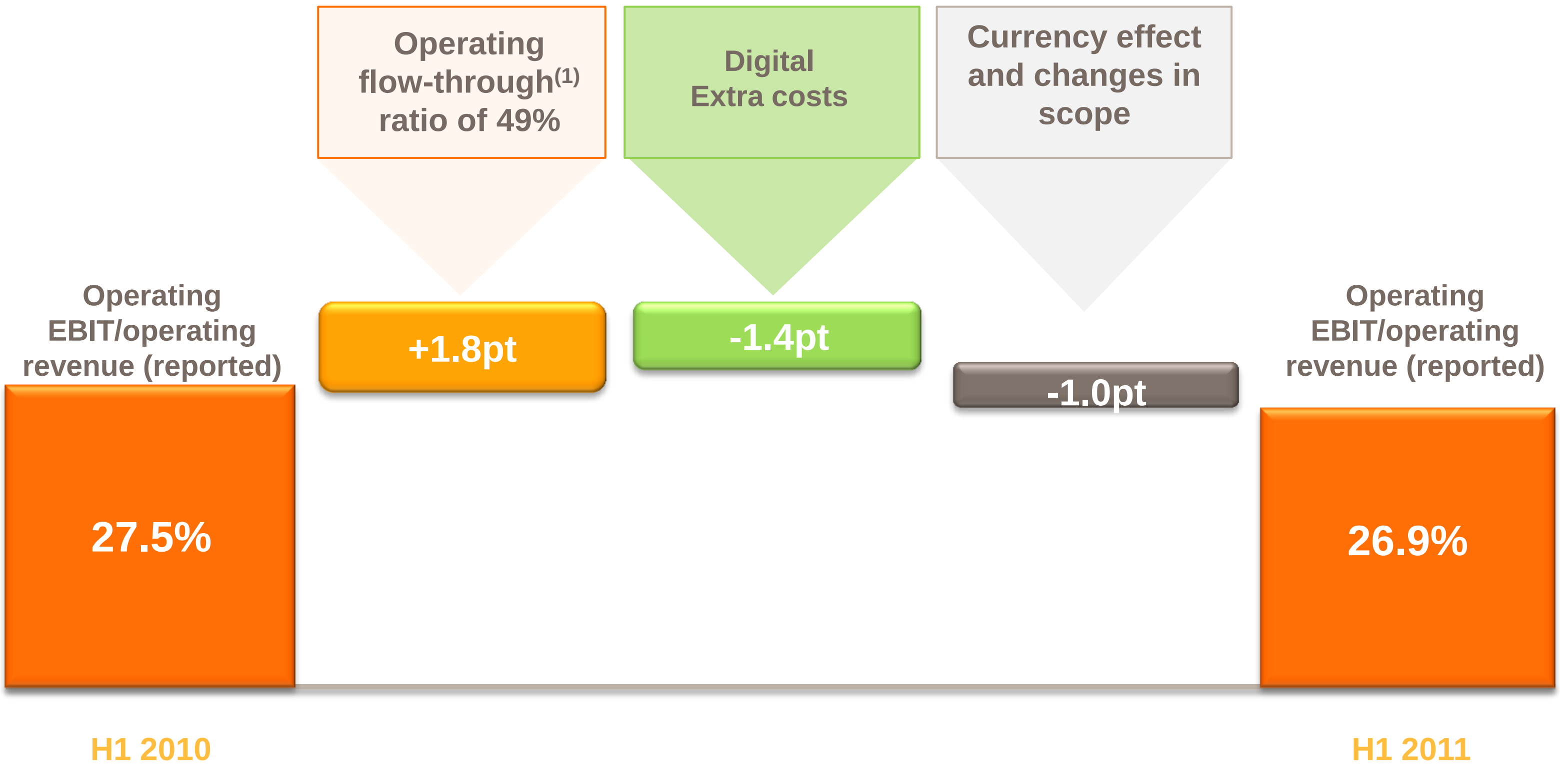
Flow-through ratio[(1)]



Operating flow-through ratio of 49% before digital extra costs

(1) Ratio between the like-for-like change in EBIT and the like-for-like change in revenue

Change in operating EBIT as a percentage of operating revenue



1.8pt L/L improvement before digital extra costs of operating EBIT as a percentage of operating revenue

(1) Ratio between the like-for-like change in operating EBIT and the like-for-like change in operating revenue

Net profit

In € millions	June 2010	June 2011
EBIT	**155**	**167**
Net financial expense	(41)	(23)
Operating profit before tax and non-recurring items	**114**	**144**
Non-recurring income and expenses, net	(35)	2
Income tax expense	(40)	(44)
Minority interests	(2)	(4)
Net profit (loss), Group share	**37**	**98**

Recurring profit after tax	**72**	**96**
Recurring earnings per share (in €)	***0.32***	***0.42***

Recurring earnings per share of €0.42, up 31.3%

Cash Flows

In € millions	June 2010	June 2011
EBITDA	**167**	**182**
Net financial expense	(41)	(23)
Income tax paid	(40)	(48)
Other	3	8
Funds From Operations	**89**	**119**
(Increase)/decrease in working capital	(197)	(238)
(Increase)/decrease in restricted cash	(8)	(17)
Recurring capex	(12)	(14)
Development capex	(13)	(13)
Dividends paid	(2)	(124)[(1)]
Effect of changes in exchange rates	151	(35)
Reclassification of restricted cash, other non-recurring items, and other	(25)	9
(Increase)/decrease in net debt	**(17)**	**(313)**

FFO up 20.2% L/L in H1 2011,
in line with our mid-term target of more than 10% growth

(1) Of which €113m in dividends paid to Edenred shareholders and €11m paid to minority shareholders

Sound financial position

In € millions	June 2010	Dec. 2010	June 2011
Gross debt	1,534	1,582	1,581
Current financial assets	(1,214)	(1,557)	(1,243)
Net debt	**320**	**25**	**338**
Adjusted FFO/Adjusted net debt (1)	31%	57%	**40%**

Financial profile reflecting a strong investment grade(2) rating

(1) According to the Standard & Poor's method
(2) Adjusted FFO/adjusted net debt ratio above 30%

2011 Outlook

Chapter 2

H2 2011 Outlook

ISSUE VOLUME

- Robust business in **Latin America,** despite high basis of comparison
- Improving trends in **Europe,** mainly explained by first signs of stabilization in Central Europe

OPERATING REVENUE

- Reduced gap between growth in operating revenue with issue volume and growth in issue volume, reflecting a **gradual stabilization in client fee rates** in countries impacted by pressure on commissions in 2010

FINANCIAL REVENUE

- **Strong trends**, thanks to higher interest rates, but a higher basis of comparison from Q4 2011 in Latin America

FY 2011 Guidance

L/L Operating EBIT:
40% to 50%
flow-through(1)

Digital extra costs in FY 2011:
€10m to €15m

L/L Financial EBIT:
100%
flow-through

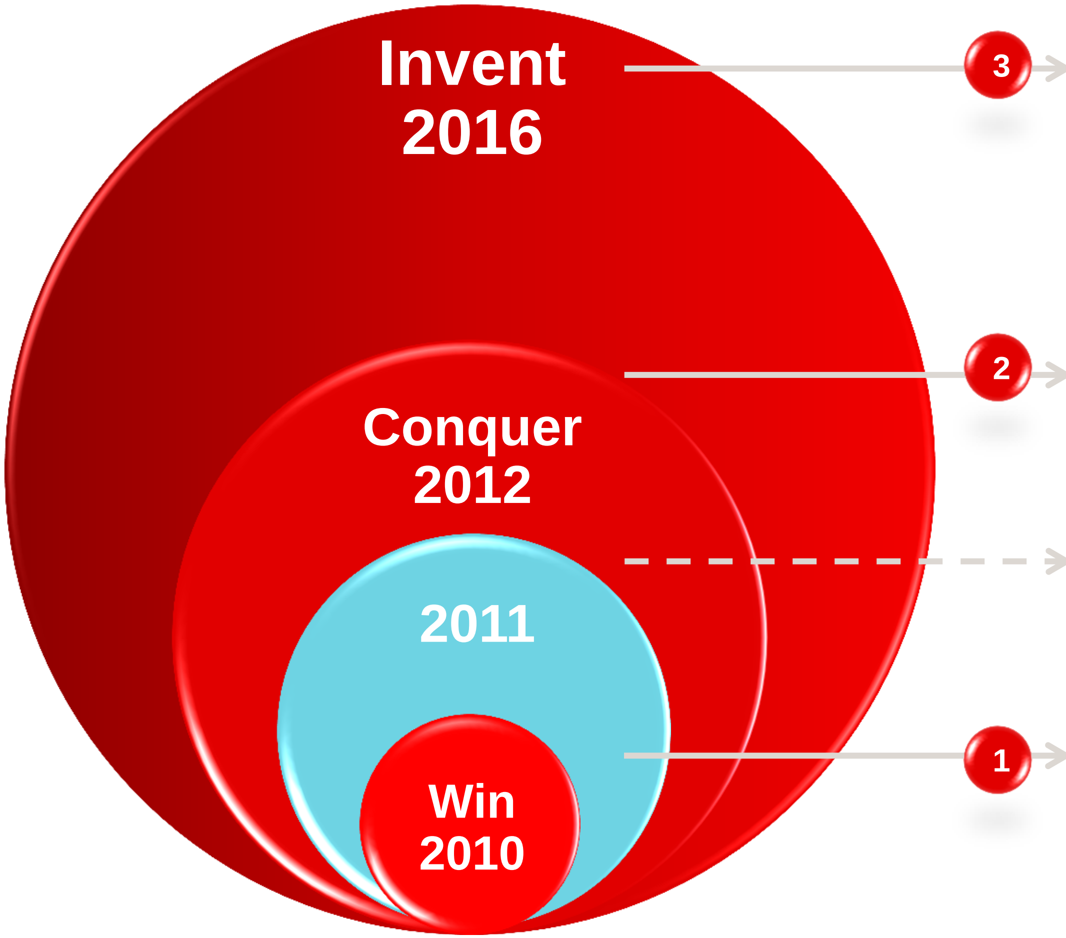
FY 2011 EBIT target: €340m to €360m

(1) Flow-through ratio before digital extra costs

Conclusion

Chapter 3

A strategy to drive growth



Invent 2016

- **Develop new growth drivers**

Conquer 2012

- **Organic Strategy**
  - Confirmation of our mid-term guidance on issue volume L/L growth of 6% to 14%
  - Acceleration of new solution and new country development
- **Digital Strategy**
  Target of 50% digital issue volume by 2012

2011 Performance

- **H1 Results in line with our mid-term guidance:** issue volume up 10.0% and FFO up 20.2% like-for-like
- **FY EBIT target:** €340m to €360m

Win 2010

- **Successfully become an independent company**
- **Meet financial targets**

Strong H1 results after one year as a standalone company, reflecting Edenred's robust business model and the first effects of the strategy implementation

Appendices

Chapter 4

Edenred

France: €23m in EBIT

In € millions	June 2010	June 2011	Change reported	Change L/L
Issue volume	**1,248**	**1,276**	**+2.3%**	**+2.3%**
Operating revenue	69	70	+0.7%	-0.3%
Financial revenue	10	10	+8.0%	+8.0%
Total revenue	**79**	**80**	**+1.6%**	**+0.7%**
Operating EBIT	14	13	-12.9%	-15.8%
Financial EBIT	10	10	+8.0%	+8.0%
Total EBIT	**24**	**23**	**-4.8%**	**-6.6%**

Restated from digital extra costs, total EBIT growth would be up 2.1% L/L

Rest of Europe: €59m in EBIT

In € millions	June 2010	June 2011	Change reported	Change L/L
Issue volume	**2,318**	**2,380**	**+2.7%**	**-0.3%**
Operating revenue	152	159	+4.6%	+3.0%
Financial revenue	16	16	-1.0%	+2.0%
Total revenue	**168**	**175**	**+4.1%**	**+2.9%**
Operating EBIT	45	43	-5.6%	-5.3%
Financial EBIT	16	16	-1.0%	+2.0%
Total EBIT	**61**	**59**	**-4.4%**	**-3.4%**

Restated from digital extra costs, total EBIT growth would be up 1.5% L/L

Latin America: €96m in EBIT

In € millions	June 2010	June 2011	Change reported	Change L/L
Issue volume	**2,837**	**3,370**	**+18.8%**	**+21.0%**
Operating revenue	169	194	+14.7%	+18.5%
Financial revenue	12	17	+40.6%	+40.0%
Total revenue	**181**	**211**	**+16.5%**	**+20.0%**
Operating EBIT	67	79	+18.5%	+22.3%
Financial EBIT	12	17	+40.6%	+40.0%
Total EBIT	**79**	**96**	**+21.9%**	**+25.0%**

Very strong performance, with 25.0% L/L growth in EBIT

Restated from digital extra costs, total EBIT growth would be up 26.0% L/L

Net debt from June 30, 2010 to June 30, 2011

Net debt at 2010 June-end	**(320)**
FFO	**243**
Recurring capex	(34)
(Increase)/decrease in working capital	101
(Increase)/decrease in restricted cash	(51)
Free Cash Flow	**259**
Development capex	(29)
Dividends paid	(127)
Demerger costs	(42)
Effect of changes in exchange rates	(79)
Change in net debt	**(18)**
Net debt at 2011 June-end	**(338)**