



Strategic partnership with Itaú Unibanco in Brazil

We
connect,
you win

September 5th, 2018



TICKET SERVIÇOS⁽¹⁾ AND ITAÚ UNIBANCO TO SIGN AN EXCLUSIVE⁽²⁾ DISTRIBUTION PARTNERSHIP IN BRAZIL



Itaú Unibanco, the largest privately-owned bank in Brazil, will distribute to its corporate customer base across Brazil, on an exclusive⁽²⁾ basis, Ticket Serviços Employee Benefits solutions



⁽¹⁾ Ticket Serviços is Edenred's subsidiary in Brazil dedicated to Employee Benefits, known under the brand Ticket
⁽²⁾ Itaú-Unibanco's exclusivity comprises Ticket Restaurante, Ticket Alimentação, Ticket Transporte and Ticket Cultura

KEY TAKE-AWAYS

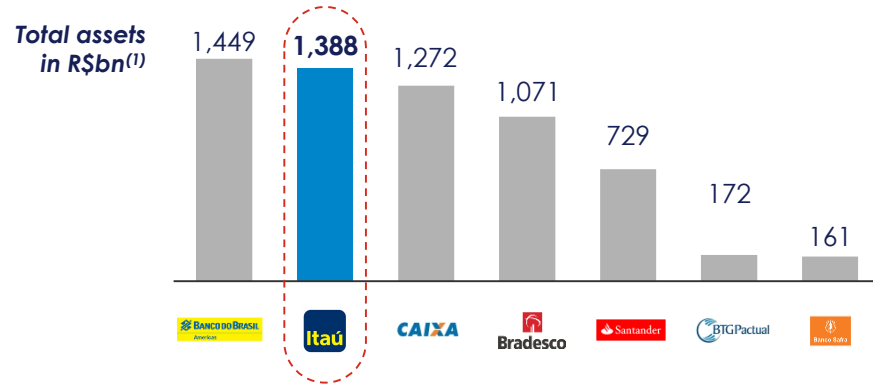
A win-win, growth-oriented partnership

- 1 Itaú Unibanco, a **unique business partner in Brazil**: the **largest privately-owned bank** in the country, with an **extensive sales platform**, a **large corporate customer base** and a **strong distribution brand**
- 2 This partnership gives **Edenred a significant competitive advantage** in Brazil's Employee Benefits market: combining **unparalleled commercial reach**, **proven innovation** and **digital capabilities**
- 3 A partnership based on **incentives for Itaú Unibanco on the new sales** they originate and further cemented by Itaú Unibanco **acquisition of a minority stake in Ticket Serviços**, Edenred's subsidiary in Brazil dedicated to Employee Benefits, known under the brand Ticket
- 4 Building a **powerful platform** aiming to outperform the high potential Employee Benefits Brazilian market, with potential **additional opportunities in adjacent Employee Benefits categories** to meal & food solutions.
- 5 Fully consistent with Edenred's **Fast Forward strategic plan**, reinforcing the group leadership in its **Employee Benefits** operations while **investing in other business lines**



ITAÚ UNIBANCO, THE LARGEST PRIVATELY-OWNED BRAZILIAN BANK

Largest privately-owned bank in Brazil



- ▶ **Latin American universal bank, with 95 years of history**
- ▶ **Nº1 privately-owned bank in Brazil** based on total assets with a market capitalization of R\$256bn (€53bn)
- ▶ **The most valuable Brazilian brand** for the last 14 years⁽²⁾
- ▶ **Extensive commercial reach in Brazil** (as of dec.17):
 - c.83,000 employees,
 - 4,400 branches and digital channels
 - More than 1 million corporate clients⁽³⁾

Longstanding relationship with Ticket Serviços

- ▶ **1990: Itaú and Unibanco** both **clients of Ticket Serviços**
- ▶ **1998:** Ticket Serviços signed a **contract with Rede** (one of the largest credit card acquirers in Brazil, founded by Itaú, Unibanco and Citibank,) to enhance **electronic payment solutions**
- ▶ **2003:** Ticket Serviços partnered with Unibanco for the **launch of Ticket Plus**
- ▶ **2011:** Ticket Serviços partnered with Itaú Unibanco for the **launch of Ticket Frete**
- ▶ **2012:** Ticket Serviços signed **Itaú Unibanco as a client of its Employee Benefits solutions**

(1) Source: BACEN (Jun. 2018). Ranking excludes BNDES.

(2) Source : <http://interbrand.com/br/best-brands/best-brazilian-brands/2017/ranking/>

(3) Of which 1 million are digital corporate clients

PARTNERSHIP SCOPE: "TICKET⁽¹⁾" EMPLOYEE BENEFITS SOLUTIONS

Edenred

Brazil



2,000
employees



130,000
corporate
clients



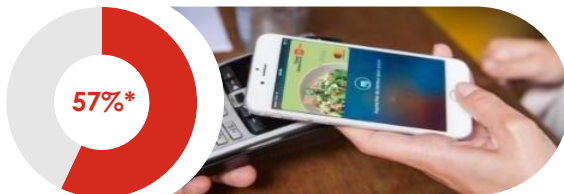
330,000
partner
merchants



7 million
employee
users

OF WHICH:

TICKET SERVIÇOS EMPLOYEE BENEFITS



* as a % of 2017 operating revenue of Edenred Brazil

Ticket^{MD} uma marca
Edenred

e.g. **Ticket Restaurante**TM
uma marca Edenred

Ticket AlimentaçãoTM
uma marca Edenred

Ticket TransporteTM
uma marca Edenred

Ticket CulturaTM
uma marca Edenred

Ticket Plus^{MD}
uma marca Edenred

Ticket Fit^{MD}
uma marca Edenred

BOOSTING OUR BRAND, PRODUCT AND INNOVATION LEADERSHIP ON THE BRAZILIAN MARKET



Unparalleled commercial reach

Combining a strong product brand with a strong distribution brand

At the edge of innovation

- ▶ **270k** Ticket Serviços partner **merchants**
- ▶ **70k** Ticket Serviços **corporate clients** (B2B)
- ▶ **40 years** expertise of **direct B2B distribution** in Brazil

- ▶ **Pioneer** of Employee Benefits in Brazil since **1976**
- ▶ Ticket ranked in the **top 5 brands for HR managers** over the last 20 years

- ▶ **Dedicated prepaid technological platform**
- ▶ **Millions of active mobile app users**
- ▶ **Product innovation factory** : Ticket Transporte, Ticket Cultura, Ticket Plus, Ticket Fit, Ticket Saude

- ▶ **4.4k** Brazilian **branches** and **digital channels**
- ▶ **More than 1 million Brazilian corporate clients**⁽¹⁾, of which a relevant **SME** portfolio

- ▶ **The most valuable Brazilian brand** for the last 14 years according to Interbrand⁽²⁾

- ▶ **Leading the digital transformation** of the Brazilian bank industry
- ▶ **Mobile payment** launched in 2017

Strong fit between 2 Brazilian leading players

(1) Of which 1 million are digital corporate clients

(2) Source : <http://interbrand.com/br/best-brands/best-brazilian-brands/2017/ranking>

A WIN-WIN PARTNERSHIP WITH ATTRACTIVE AND MUTUAL SUCCESS INCENTIVES

Distribution agreement based on sales incentives

Itaú Unibanco will distribute Ticket Serviços' products on the Brazilian market

- ▶ **Exclusive partnership**
- ▶ Itaú Unibanco to be remunerated via **commission fees on new clients** they originate

Strong commitment with incentives related to the equity-based relationship

- ▶ Itaú Unibanco becomes a **minority shareholder of Ticket Serviços**, holding an **11% stake**
- ▶ **Option to gradually increase its stake**
- ▶ **Edenred will remain Ticket Serviços' controlling shareholder over time**

ACCELERATING OUR GROWTH ON A HIGH POTENTIAL MARKET

Strong market fundamentals

- ▶ **An attractive Employee Benefits Brazilian market** with strong track record : **>10% Issue Volume CAGR** over the past 10 years
- ▶ **Top 5 most populated country worldwide** with more than 208m inhabitants, of which a **current addressable population of more than 50m people** (formal jobs)
- ▶ A specific market where corporate client banking relationships are **key in the distribution of Employee Benefits solutions, in addition to direct sales efforts**

Significant growth upside

- ▶ **Enhanced distribution capability via Itaú-Unibanco's large platform**
- ▶ **Additional revenue upside** by potentially entering employee benefits **product categories adjacent to meal and food benefits**, leveraging Edenred' strong expertise in launching successful innovative solutions
 - **Salary advance, health, wellbeing and fitness**
- ▶ **Long-term labor market formalization trend** (cf. more than **11m estimated informal workers⁽¹⁾**) leading to accelerated job creation in a context of **macroeconomic recovery**



**Ticket-Itaú Unibanco partnership:
a strong platform aiming to outperform competition on a high-potential market**



(1) Source : Instituto Brasileiro de Geografia e Estatística, Pesquisa Nacional por Amostra de Domicílios, July 2018

A GAME-CHANGER FOR THE EMPLOYEE BENEFITS BRAZILIAN MARKET



1

Distribution partnership with **the largest privately-owned Brazilian bank** to **strengthen Edenred's strong market position** in Employee benefits

2

Exclusive agreement focusing on the **highly attractive local employee benefits market**

3

A **strong platform** to boost innovation and aiming to **outperform the high-potential employee benefits Brazilian market**

4

Itaú Unibanco to become a minority **shareholder** of Ticket Serviços to cement the distribution agreement

- **Unparalleled commercial reach** with a **strong fit** between **2 Brazilian leading players**

- **Market CAGR > 10%** over the past 10 years

- **50M** current addressable population and ongoing **labor market formalization**, in a context of **macroeconomic recovery**

- Combination of 2 players **leading the digital transformation** of the payment space

- **Large pipeline of innovative products**

- Initial **11% stake** in Ticket Serviços acquired by Itaú Unibanco through a contribution in-kind and in-cash

Ambition to outperform the Brazilian employee benefits market
Accretive on EBITDA from Year 1 post-closing

