



# Investors presentation

We  
connect,  
you win

August, 2018



# Agenda

- 1. Edenred In A Nutshell**
2. Fast Forward Strategic Plan
3. Financial Performance
4. Corporate Social Responsibility & Governance
5. Deep Dive Into Business Lines



# AT THE HEART OF A WIN-WIN ECOSYSTEM

**44 million**  
employee users



Public institutions

+ traceability and efficiency



+  
**purchasing power  
and simplicity**

Use of the  
service

**€26 billion**  
business volume

**2 billion** transactions with various  
payment technologies

Filtered loop payment network  
App-to-app payment  
Mobile payment  
Virtual cards

+  
**revenue  
and loyalty**

**1.5 million**  
partner  
merchants



+  
**performance and  
attractiveness**

**770,000**  
corporate  
clients



Distribution of the  
service

Management  
and sale

Request  
reimbursement



**We connect,  
You win**

In 2017



# ONE LEADERSHIP BASED ON FOUR KNOW-HOW

World leader in transactional solutions for companies, employees and merchants

## Financial Intermediation

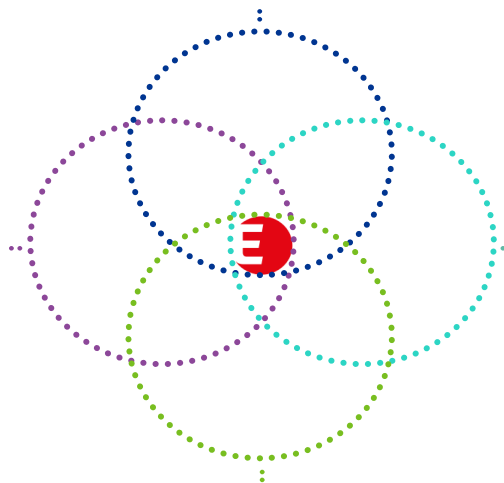
Selected ecosystems

**FinTech**  
Issuer & Processor

**RegTech**  
Compliance

## Data Intermediation

Big data & Analytics



## 3 BUSINESS LINES



### EMPLOYEE BENEFITS

#1 worldwide

More than 100 solutions for

- food
- well-being
- culture

Ticket Restaurant  Ticket Plus  Ticket Welfare 



### FLEET & MOBILITY SOLUTIONS

#1 in Latin America  
#2 in Europe\*\*

A full range of solutions to help companies manage employee business expenses, especially those linked to mobility

  
an Edenred brand

Ticket Car 



### COMPLEMENTARY SOLUTIONS

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

Corporate Payment  Ticket Compliments  Ticket Kadéos 

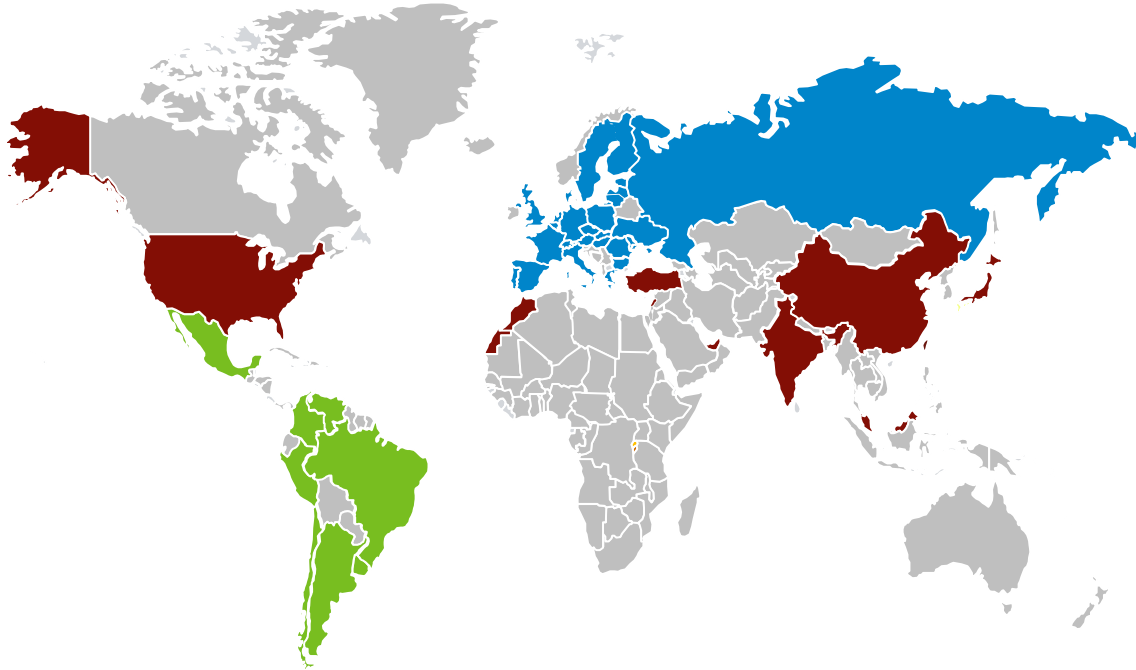


\*% of H1 2018 operating revenue


\*\*#2 Europe-wide player in multi-brand fuel cards

# AN INTERNATIONAL LEADER WITH A MULTI-LOCAL PRESENCE

8,000 employees in 45 countries



## Employees by region (2017)

-  **Europe: 47%**  
(of which 16% in France)
-  **Latin America: 40%**
-  **Rest of the World: 13%**

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# FAST FORWARD STRATEGIC PLAN

FAST  
FORWARD

Set ambitious **organic growth targets**



Accelerate our development through the **integration of our acquisitions**

*Mid-term annual targets  
(Like-for-Like growth)*

> **+7%**

Operating  
Revenue

> **+9%**

Operating  
EBIT

> **+10%**

FFO

**Boost performance** of our acquisitions & generate **synergies** to

- ▶ ... position ourselves as a **global player** in **Fleet & Mobility** solutions
- ▶ ... **strengthen our positioning** in **Employee Benefits**

**Generate a profitable & sustainable growth on all our business lines and geographies**



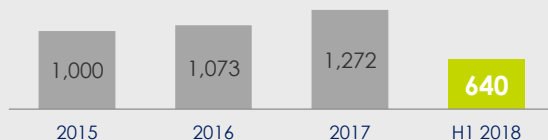


# 2016-2017-H1 2018: OUTPERFORMANCE

An organic growth higher than objectives

Reported figures in € million  
Like-for-like growth figures

## Operating revenue



FY 2016

+8%

FY 2017

+9%

H1 2018<sup>(1)</sup>

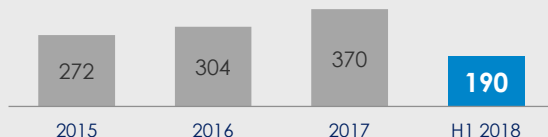
+12%

Annual medium-term  
objectives

> +7%



## Operating EBIT



+17%

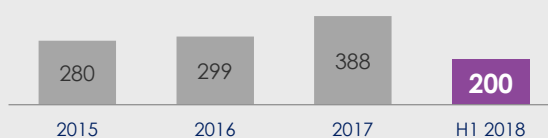
+16%

+20%

> +9%



## Funds from operations



+15%

+22%

+18%

> +10%



(1) Due to Venezuelan current high inflation, the like-for-like performance is temporary calculated excluding Venezuela. H1 2018 like-for-like operating revenue, operating EBIT and FFO (under new IFRS 15 standards) growth, including Venezuela was 18%, 31% and 30% respectively.

# ACQUISITIONS

## Successful integrations

FY 2017  
Reported growth

Operating  
revenue

+19%

Operating  
EBIT

+22%

Funds from  
operations

+30%

**2 transformational acquisitions** in Fleet & Mobility Solutions  
**+1,300 employees** joining the Group



an Edenred brand

**European expansion**



**Building a leader in Brazil  
Business & costs synergies**



*Other significant  
acquisitions*



# A DIGITAL COMPANY

Ambition: more than 85% Edenred's business volume will be digital by 2020

## DIGITAL

% OF BUSINESS  
VOLUME IN 2017

### By geography



Latin America

97% +1pt vs 2016



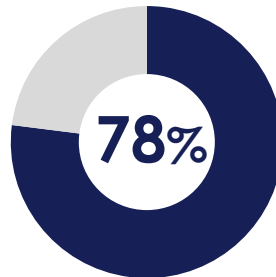
Rest of the World

79% +6pts vs 2016



Europe

61% +18pts vs 2016



+8pts vs 2016

### By business line



Fleet & Mobility  
Solutions



Employee  
Benefits



Complementary  
Solutions

Strong acceleration of digitalization in Europe



# UNIQUE TECHNOLOGICAL LEADERSHIP

A global platform to fuel the Fast Forward growth strategy

## Edenred's global technology platform



**Strong competitive advantage to accelerate growth**

- ▶ GLOBAL REACH
- ▶ TIME TO MARKET
- ▶ COST EFFICIENCY
- ▶ VALUE-ADDED SERVICES
- ▶ TAILOR-MADE SOLUTIONS
- ▶ DIFFERENTIATION

### PROPRIETARY

#### MULTI-TECHNOLOGY



##### Mobile

- NFC
- QR code
- App-to-App



##### Cards

- Plastic/virtual
- Prepaid/postpaid
- Closed/filtered loop

##### NFC tag



##### Smart transfers



Instore or remote transactions

#### WALLET SERVICE PROVIDERS



#### LEADING E-COMMERCE PLATFORMS



Meal delivery



Retail/Travel

#### WHITE LABEL



Fintechs

#### SUCCESSFUL MIGRATION OF ACQUIRED COMPANIES GENERATING STRONG SYNERGIES

Current migration of processing platform



No attrition during client migration



~R\$60m in synergies delivered 1 year in advance



# RECENT EMBLEMATIC PARTNERSHIPS TO ENHANCE THE USER EXPERIENCE

Fast global roll-out of innovative solutions fostering end-user engagement

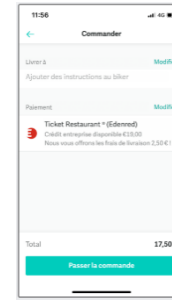
## Fast, seamless payment with mobile



**Fast roll-out reflecting strong end-user adoption rate:  
Up to 12 transactions per month per user**



## Order & pay for your meal in a few steps



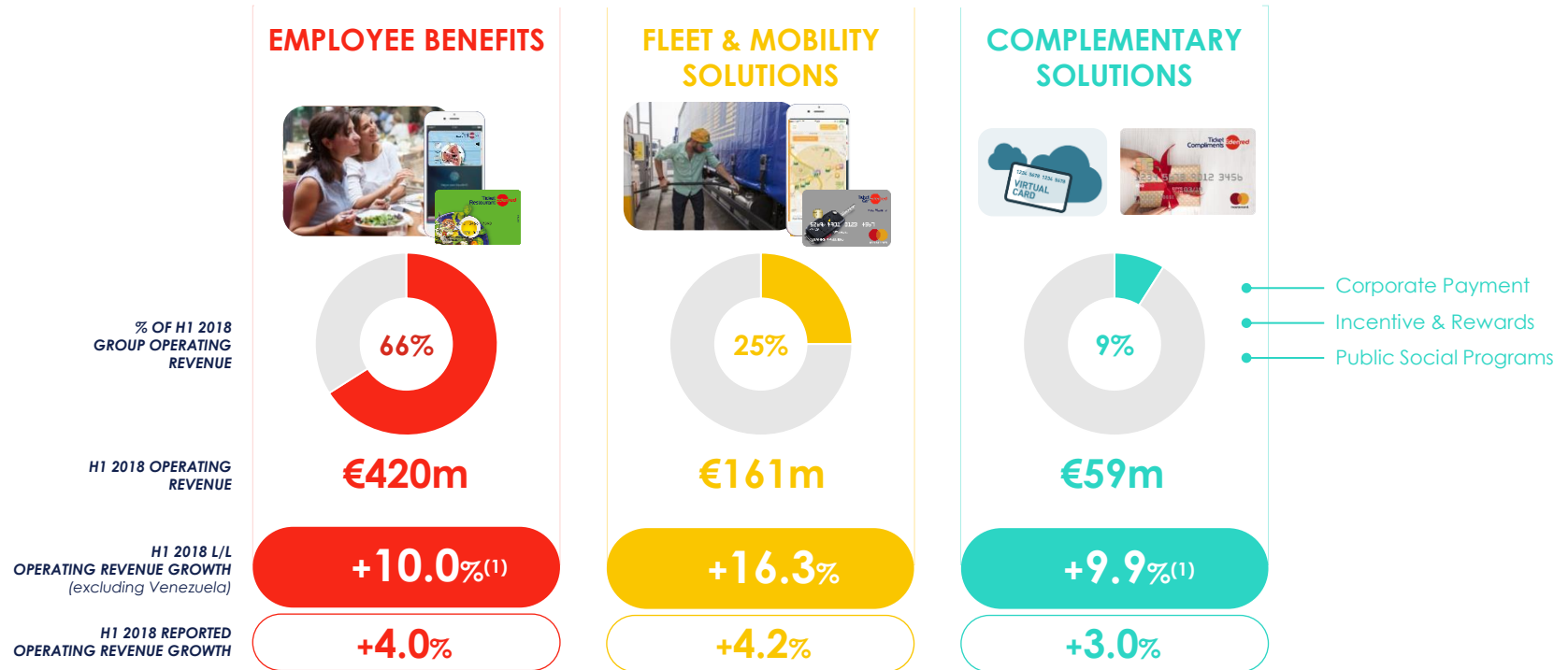
**Edenred, the only meal benefits issuer to offer access to meal delivery platforms**

- + Convenience for end-users
- + Volume for small merchants

- ▶ Aligned with user habits: More than 1,000 transactions per day, just a few weeks post-launch
- ▶ Additional global partnerships to come in France and 4 other countries in 2018

# SUSTAINED GROWTH ACROSS ALL BUSINESS LINES

H1 2018 operating revenue breakdown & growth by business line

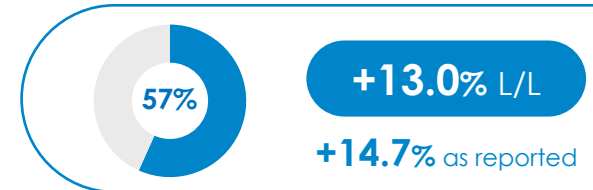


(1) H1 2018 like-for-like growth in Employee Benefits and Complementary Solutions, including Venezuela, was 14.8% and 42.7%, respectively.

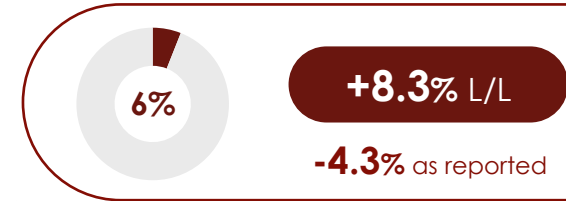
# SUSTAINED GROWTH ACROSS ALL REGIONS

H1 2018 operating revenue breakdown & growth by geography

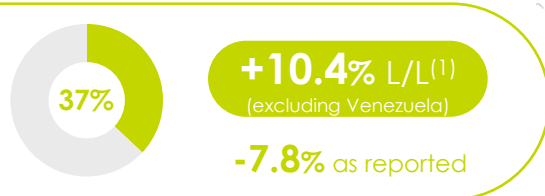
## Europe



## Rest of the World



## Latin America



(1) H1 2018 like-for-like growth in Latin America, including Venezuela, was 24.8%.

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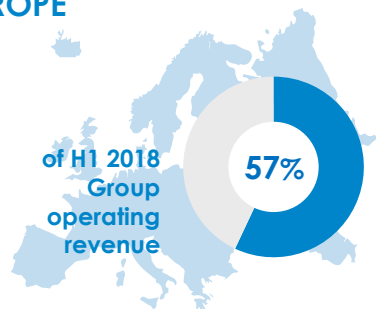




# DOUBLE-DIGIT ORGANIC GROWTH IN ALL REGIONS IN H1 2018

## H1 2018 operating revenue by geography

### EUROPE



H1 2018 operating revenue  
**€362m**  
 +14.7%  
 vs.  
 €316m in H1 2017

2018 vs. 2017  
 L/L growth

	Q1	Q2	H1
France	+8.6%	+10.2%	+9.4%
Europe excl. France	+13.8%	+15.9%	+14.9%
<b>Total Europe</b>	<b>+11.9%</b>	<b>+14.1%</b>	<b>+13.0%</b>

2018 vs. 2017 L/L growth (excluding Venezuela)

	Q1	Q2	H1
Hispanic Latin America	+15.8% <sup>(1)</sup>	+15.4% <sup>(1)</sup>	+15.6% <sup>(1)</sup>
Brazil	+4.7%	+12.3%	+8.5%
<b>Total Latin America</b>	<b>+7.6%<sup>(2)</sup></b>	<b>+13.1%<sup>(2)</sup></b>	<b>+10.4%<sup>(2)</sup></b>

### LATIN AMERICA

H1 2018 operating revenue  
**€243m**  
 -7.8%  
 vs.  
 €263m in H1 2017



(1) Q1 2018, Q2 2018 and H1 2018 like-for-like growth in Hispanic Latin America, including Venezuela, was 52.9%, 88.4% and 70.9%, respectively.  
 (2) Q1 2018, Q2 2018 and H1 2018 like-for-like growth in Latin America, including Venezuela, was 17.1%, 32.5% and 24.8%, respectively.

## OTHER OPERATING INCOME (FORMERLY FINANCIAL REVENUE)

Decrease mainly linked to less favorable investment conditions in Europe

In €m	H1 2018	H1 2017	Reported change	L/L change (excluding Venezuela)
Latin America	16	20	-19.1%	-5.2% <sup>(1)</sup>
Europe	7	12	-44.3%	-44.2%
Rest of the World	2	2	-6.9%	+17.9%
<b>Total</b>	<b>25</b>	<b>34</b>	<b>-27.3%</b>	<b>-17.5%<sup>(2)</sup></b>

H1 2018  
Other operating income  
(ex financial revenue)

€25m

- ▶ **Float increase** in H1 2018: **€2,572m, +6.6%** vs. H1 2017
- ▶ Europe (where most of the float is located): very **low interest rates** and **less favorable investment conditions** for investments reaching maturity
- ▶ Latin America: **strong currency effect**
- ▶ **Cautious and optimized cash management**: Only money market instruments in local currencies (bank term deposits with no risk on capital). No float transfer between currencies.



<sup>(1)</sup> H1 2018 like-for-like change in Latin America, including Venezuela, was -4.9%.

<sup>(2)</sup> H1 2018 like-for-like change, including Venezuela, was -17.4%.

# H1 2018 TOTAL INCOME (FORMERLY TOTAL REVENUE): €665M

Double-digit organic growth partially offset by strong currency headwinds

H1 2018

€665m

Reported

+2.3%

Venezuela

-0.5%

Scope

+0.9%

Currency

(excluding Venezuela)

-8.2%<sup>(1)</sup>

Like-for-like

(excluding Venezuela)

+10.1%<sup>(3)</sup>

Restated H1 2017

€650m

IFRS impacts

€0m

Published H1 2017

€650m

## ► Total income (formerly total revenue) growth in Q2 2018

In €m	Q2 18	Q2 17	Reported change	L/L change (excluding Venezuela)
Operating revenue	321	306	+5.0%	+13.4% <sup>(2)</sup>
Other operating income	12	16	-27.4%	-16.5% <sup>(2)</sup>
<b>Total income</b>	<b>333</b>	<b>322</b>	<b>+3.3%</b>	<b>+11.9%<sup>(2)</sup></b>

## ► Total income (formerly total revenue) growth in H1 2018

In €m	H1 18	H1 17	Reported change	L/L change (excluding Venezuela)
Operating revenue	640	616	+4.0%	+11.6% <sup>(3)</sup>
Other operating income	25	34	-27.3%	-17.5% <sup>(3)</sup>
<b>Total income</b>	<b>665</b>	<b>650</b>	<b>+2.3%</b>	<b>+10.1%<sup>(3)</sup></b>



(1) H1 2018 currency impact, including Venezuela, was a negative 14.5%.

(2) Operating revenue, other operating income and total income like-for-like change, including Venezuela, in Q2 2018 was +21.7%, -16.2% and +19.8%, respectively.

(3) Operating revenue, other operating income and total income like-for-like change, including Venezuela, in H1 2018 was +17.8%, -17.4% and +15.9%, respectively.

# H1 2018 TOTAL EBIT: €215M

L/L operating EBIT and EBIT margins up 2.2pts and 1.2pts, respectively

<i>In € millions</i>	H1 2018	H1 2017	Reported change	L/L change <sup>(1)</sup>	H1 2017 published
Operating revenue	640	616	+4.0%	+11.6%	616
Other operating income (A)	25	34	-27.3%	-17.5%	34
<b>Total income</b>	<b>665</b>	<b>650</b>	<b>+2.3%</b>	<b>+10.1%</b>	<b>650</b>
<b>EBITDA<sup>(2)</sup></b>	<b>251</b>	<b>243</b>	<b>+3.8%</b>	<b>+13.1%</b>	<b>237</b>
<b>Operating EBIT (B)</b>	<b>190</b>	<b>173</b>	<b>+10.6%</b>	<b>+20.3%</b>	<b>167</b>
<b>Operating EBIT margin</b>	<b>29.7%</b>	<b>27.9%</b>	<b>+1.8pts</b>	<b>+2.2pts</b>	<b>27.0%</b>
<b>EBIT (C)=(A)+(B)</b>	<b>215</b>	<b>207</b>	<b>+4.3%</b>	<b>+14.0%</b>	<b>201</b>
<b>EBIT margin</b>	<b>32.4%</b>	<b>31.8%</b>	<b>+0.6pt</b>	<b>+1.2pts</b>	<b>30.9%</b>



(1) Like-for-like growth excluding Venezuela.

(2) EBITDA corresponds to total income less operating expenses (excluding depreciation and amortization)

# H1 2018 NET PROFIT: €124M

Increase in net profit, Group share

In € millions	H1 2018	H1 2017	Reported change
<b>EBITDA</b>	<b>251</b>	<b>243</b>	<b>+3.8%</b>
Depreciation and amortization excluding PPA	(25)	(24)	
Purchase price allocation (PPA)	(11)	(12)	
<b>EBIT</b>	<b>215</b>	<b>207</b>	<b>+4.3%</b>
Share of net profit from equity-accounted companies	6	5	
Other income and expenses	(3)	16	
<b>Operating profit including share of net profit from equity-accounted companies</b>	<b>218</b>	<b>228</b>	<b>-4.3%</b>
Net financial expense	(15)	(26)	
Income tax expense	(61)	(65)	
Net profit attributable to non-controlling interests	(18)	(14)	
<b>Net profit, Group share (A)</b>	<b>124</b>	<b>123</b>	<b>+0.8%</b>

*Including +€19m in capital gains on remeasurement at fair value of Edenred's initial investment in UTA*

*Mainly resulting from 2017 refinancing operations & BRL currency effect*

*Mainly related to Ticket Log and UTA minority shareholders*

# H1 2018 CASH FLOW STATEMENT

Strong funds from operations and free cash flow generation

In € millions	H1 2018	H1 2017	
<b>Funds from operations</b>	<b>200</b>	<b>179</b>	+17.5% L/L
Increase/(decrease) in cash linked to changes in float <sup>(1)</sup>	(270)	(263)	
(Increase)/decrease in restricted cash	(121)	(83)	
(Increase)/decrease in working capital (excl. float)	83	(8)	
Recurring capex	(37)	(36)	
<b>Free cash flow</b>	<b>(145)</b>	<b>(211)</b>	
Acquisitions	(149)	(267)	Of which €(228)m related to UTA
Dividends paid to Edenred SA shareholders	(104)	(112)	Mainly related to the acquisitions of Timex Card and of minority interests in ProwebCE
Dividends paid to non-controlling interests	(23)	(15)	
Capital increase <sup>(2)</sup>	7	8	Increased 2017 dividend vs. 2016 but higher amount of scrip dividend
(Buyback)/sale of treasury shares	(30)	(17)	
Currency effects	(55)	(50)	
Other non-recurring items	5	36	
<b>(Increase)/decrease in net debt</b>	<b>(494)</b>	<b>(628)</b>	

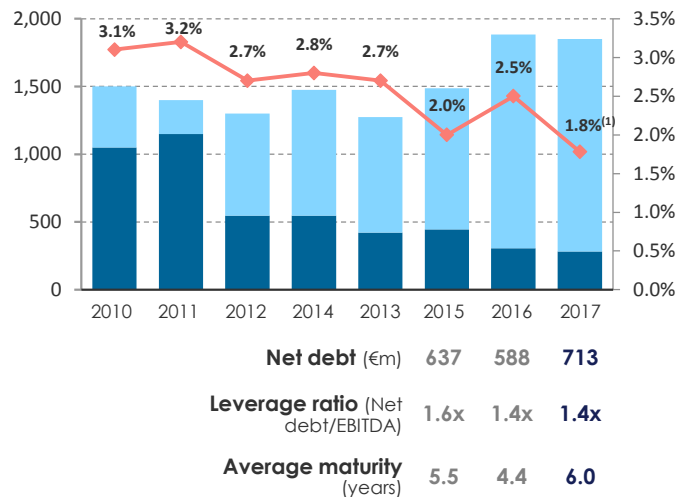


(1) The float corresponds to vouchers in circulation less trade receivables.

(2) Related to stock options.

# DEBT PROFILE AND CAPITAL ALLOCATION POLICY

**Gross debt** (in €m): Floating-rate Fixed-rate Cost of debt



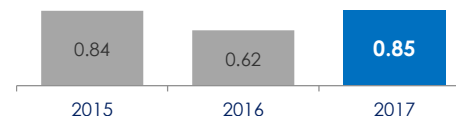
**“Strong investment grade” BBB+**  
Group rating by Standard & Poor’s

## Edenred’s capital allocation policy

- Maximize value creation for shareholders through a **balanced deployment of capital** between:
  - Immediate return to shareholders through a **payout ratio of at least 80% of net profit, Group share:**

**€0.85 per share in 2017**

**+37% vs. 2016**



- Selected growth investments**, applying stringent financial criteria while maintaining strong credit rating.

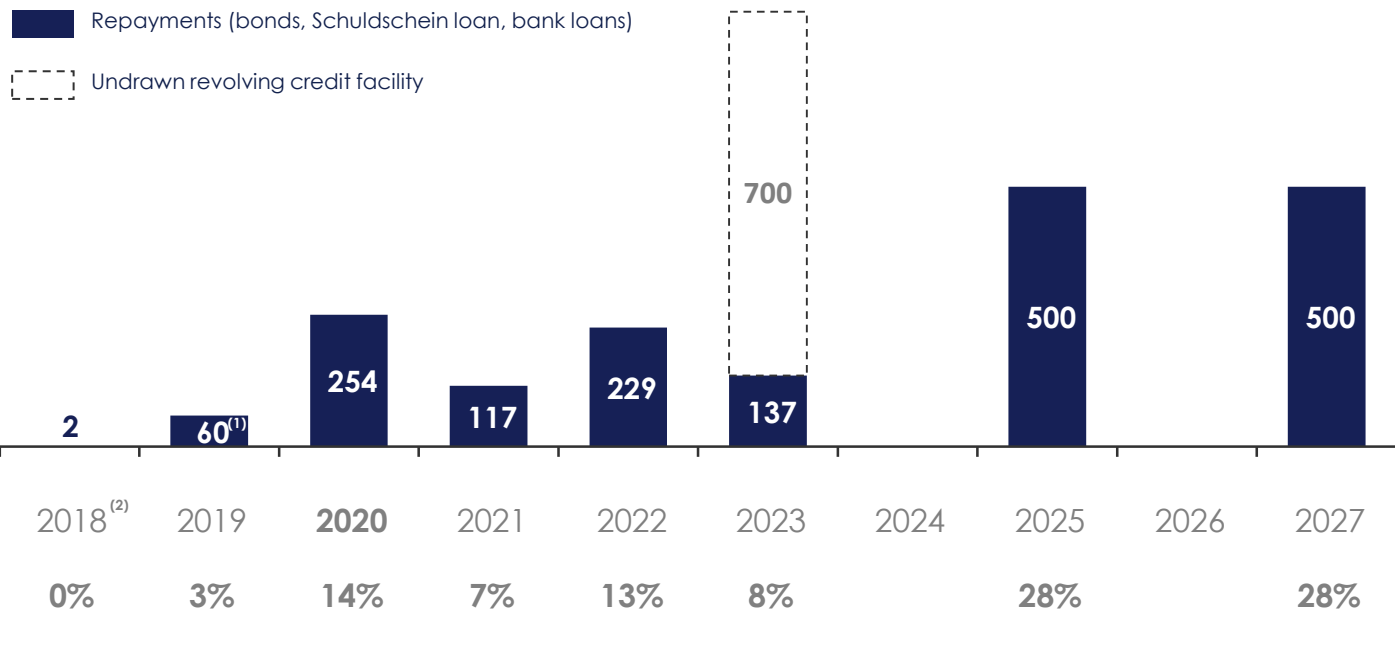


(1) Excluding BRL debt, 2017 average cost of debt was 1.2%, down 44bps vs. 2016.

# NO MAJOR REPAYMENTS DUE BEFORE 2025

## Debt repayment schedule (€m)

H1 2018 Total gross debt:  
€2.199bn



(1) Of which bank loans in BRL of €56 million based on a closing price of BRL 4.49 for EUR 1 on June 30, 2018.  
(2) As of June 30, 2018, the group issued Negotiable European Commercial Paper (short term negotiable debt) for €400m.



## FY 2018 OUTLOOK

Edenred to substantially outperform its annual medium-term targets in 2018

**FAST  
FORWARD**

**> +7%**

L/L operating  
revenue growth

**> +9%**

L/L operating  
EBIT growth

**> +10%**

L/L FFO growth

Edenred aims to report FY 2018 EBIT of between:

**€440m and €470m<sup>(1)</sup>**

(vs. €429m in 2017)



(1) Based on an assumption of an average Brazilian real/Euro exchange rate for the second half of the year equal to the actual rate as of June 30, 2018.

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# CORPORATE SOCIAL RESPONSIBILITY

Three main pillars



1

people.

Foster a better life

**Be a top employer** by ensuring a positive environment for professional

**Promote wellbeing** services through healthy food

**Contribute to local development** by involving ourselves and sharing the fruit of our growth



2

planet.

Preserve the environment

**Reduce our carbon footprint** and amount of energy, natural resources and waste

**Develop environmental-friendly** services for mobility and food waste

**Manage sustainable impacts** of our solutions during their lifecycle



3

progress.

Create value responsibly

**Ensure Ethics performance** on our entire value chain

**Disclose transparent practices** and commitments on IT security and data privacy

**Meet our stakeholders expectations** by onboarding them in our digital transformation

# CORPORATE SOCIAL RESPONSIBILITY

## 2022 and 2030 targets

people.

	2017	2022	2030
<b>TRAINING</b> - % employees who received at least 1 learning	78%	80%	85%
<b>DIVERSITY</b> - % women among executive positions	21%	25%	40%
<b>SOLIDARITY</b> - Number of days of volunteering	586	1,000	5,000
<b>NUTRITION</b> - % food users & merchants sensitized	29%	50%	85%

planet.

<b>GAS EMISSION</b> - % reduction intensity vs 2013 (GHG*/m <sup>2</sup> )	18%	26% (SBTI**)	52% (SBTI**)
<b>SERVICES</b> - Number of environmental-friendly services	9	20	1 / country
<b>SOLUTIONS</b> - % eco-designed / recycled solutions	27%	35%	70%

progress.

<b>ETHICS</b> - % acknowledgment employees to Ethics Charter	83%	100%	WMEC***
<b>DATA PROTECTION</b> - % subsidiaries under common standard of compliance & employees sensitized to personal data issues	100% European	100% Group	Binding Corporate rules & certification
<b>QUALITY</b> - % subsidiaries quality management certified	39%	50%	85%



\*GHG: Green House Gas

\*\*SBTI: Science Based Targets Initiatives – based on COP21 targets

\*\*\*WMEC: World Most Ethical Company

# WOMEN AND MEN OF EDENRED



**7 782**  
employees

**50%**  **50%**  
Women Men

 **50%**  
aged under **35**

 **19%**  
Managers

**32%** Sales  
& Marketing

**15%\*** IT

Engines of our  
commercial wins  
& innovation

In 2017, **90% of Edenred's employees** were working in an environment engaged in the “**Best Place to Work**” approach



# GOVERNANCE PRINCIPLES

A governance fully complying with the AFEP-MEDEF Code

## How does the Board work?

- Board of Directors (10 members)
- **90% independent** directors
- **40% women** on the Edenred Board of Directors
- Management: Chairman and Chief Executive Officer and a Vice-Chairman of the Board and Lead Independent Director
- Annual reelection of a third
- 4-year term

## Corporate Governance

Three committees prepare Board discussions and decisions:

- Audit and Risks Committee
- Compensation and Appointments Committee
- Commitments Committee

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# EDENRED'S VALUE PROPOSITION



## EMPLOYEE BENEFITS



## FLEET & MOBILITY SOLUTIONS



## COMPLEMENTARY SOLUTIONS



Managing transactional flows efficiently for corporates

- Tax-effective employee compensation booster

- Anti-fraud & cost-effective solutions
- Ensure expense tax deductibility

- Corp. Payment: Secure, instant, efficient and smart payment
- I&R: Convenient solutions for sales force motivation and distribution



Driving business and generating incremental revenues for merchants

- Business volume & revenue driver for affiliate network

- I&R : Business volume & revenue driver for affiliate network
- I&R: Retain consumers



Offering additional purchasing power to employees

- Increasing purchasing power
- Positive impact on health & work-life balance

- No need to advance cash
- Simplified reporting procedure

- I&R: Increasing purchasing power



Improving effectiveness of public institutions' policies

- Formalization of economy
- Job creation
- Lower health spending

- Formalization of economy
- Carbon emission control

- Formalization of economy
- PSP: Improved traceability of the funds allocated / avoid cash distribution





# EMPLOYEE BENEFITS

# CREATOR OF THE TICKET RESTAURANT CONCEPT IN 1960's

These solutions **vitalize the economy and local employment** through local spending  
e.g., in France **1 job is created for every 23 users of meal vouchers**



**900,000**  
restaurants  
or food shops  
affiliated



Edenred offers  
its solutions in  
more than  
**35**  
countries



More than  
**1 billion**  
meals served per year  
using Edenred solutions



# EMPLOYEE BENEFITS

Competitive landscape: Edenred is the industry leader on a large, global and growing market



**A STILL UNDERPENETRATED INDUSTRY:** 20% to 25% global penetration rate<sup>(3)</sup>.  
**Strong underlying growth fundamentals:** economic formalization, intensifying urbanization, aspirations for a better work-life balance

# EMPLOYEE BENEFITS

Harnessing the untapped potential of Employee Benefits thanks to digitization, product innovation and cross-selling

1

## Increased market penetration

Products and sales channels digitization improve our capacity to reach new clients

### SMEs

- ▶ **More convenience** in managing digital solutions
- ▶ **Telesales & websales**
- ▶ Lower **distribution costs** in tier 2/3 zones

~40% SME client growth in 2017

### New segments

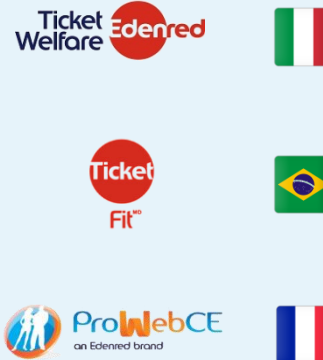
- ▶ Target new segments such as IT services firms
- ▶ Target new areas such as countryside



2

## New solutions

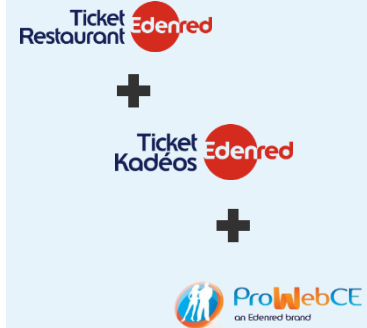
Digital allows innovation and faster growth



3

## Cross-selling

A key driver to improve client retention and increase profitability



# DIGITIZATION OFFERS STRONG TOPLINE GROWTH OPPORTUNITIES

Focus on Employee Benefits business opportunities

## Shift to digital of existing products

e.g., Ticket Restaurant

### Impact on business volume

++

More differentiation (e.g., mobile payment)  
More penetration due to more convenience (e.g., consulting firms, SMEs)

### Impact on operating revenue

+

New revenues from merchants & corporates (e.g., fees per card, new services)  
New revenues from users (e.g., data collection)

## New digital solutions

e.g., ProwebCE, Employee Savings

+

More solutions possible (e.g., web platforms)  
But not every solution based on volumes (e.g., e-commerce)  
Boosts cross-selling

++

Additional revenue

## New digital sales channels

e.g., Telesales

++

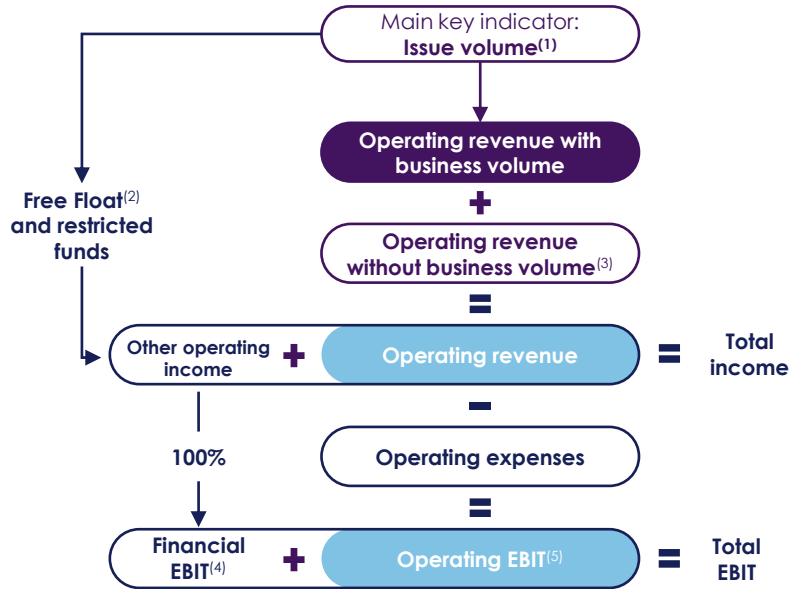
More sales efficiency (e.g. industrialized telesales organization)  
More penetration (e.g., SMEs, Tier 2/3 cities)

++

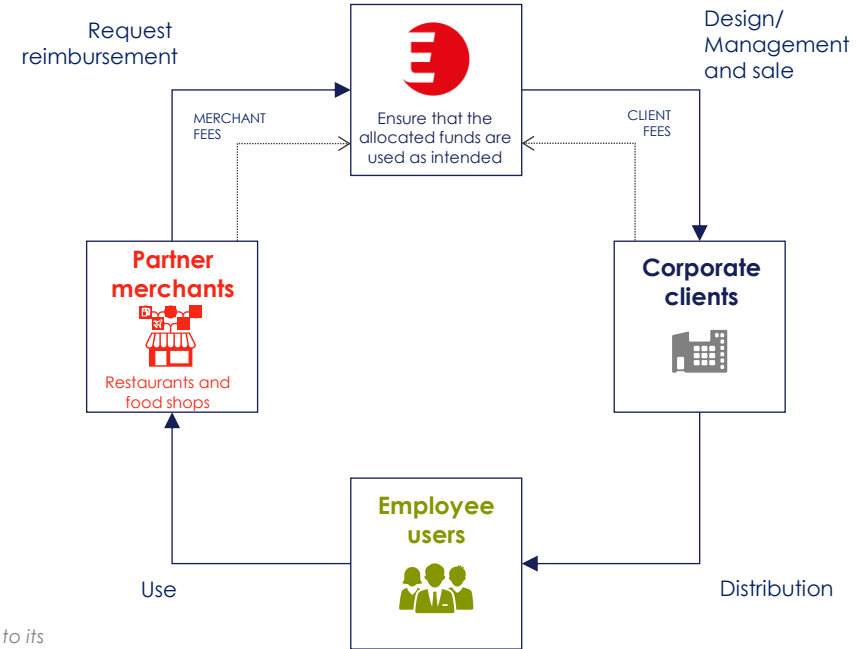
Lower price sensitivity of some client categories (e.g., SMEs)

# EMPLOYEE BENEFITS: BUSINESS MODEL

A highly profitable model



Edenred is at the heart of a network of corporate clients, employee users and partner merchants



- (1) Issue volume: total face value of the preloaded employee benefit services issued by Edenred to its corporate and public sector clients
- (2) The free float increase is contributing to the Free Cash Flow generation
- (3) For example, maintenance and installation costs and periodic subscription fees
- (4) 100% of other operating income (formerly financial revenue) is converted to EBIT
- (5) ~30% of operating EBIT margin.





# FLEET & MOBILITY SOLUTIONS

# FLEET & MOBILITY SOLUTIONS

Help companies to manage their corporate expenses, mainly linked to fleet

**Optimization of vehicle fleet servicing costs up to 20%**  
(fuel, toll & maintenance cards, etc.)

**A single card to pay for tolls, fuel and vehicle maintenance** without carrying large amounts of cash



**2.6 million**  
**means of payment**



**>90,000**  
**points of acceptance**



**6.6 billion**  
**liters of fuel**  
efficiently managed



# FUEL & FLEET MARKET

A large, multi-local and fast-growing market with a low penetration rate

Over  
**€1,000bn**  
annual  
spend

**25%**  
average  
penetration

Average annual  
growth of  
**5-10%**  
for Fuel & Fleet  
solutions

	NORTH AMERICA	LATIN AMERICA	AFRICA & MIDDLE-EAST	EUROPE	APAC
<b>Annual spend</b>	<b>€225bn</b>	<b>€100bn</b>	<b>€35bn</b>	<b>€300bn</b>	<b>€375bn</b>
Light Vehicle penetration	Medium	Low	Low	Low-Medium	Low
Heavy Vehicle penetration	High	Medium	Low	High	Low

Source: Alphanova, Edenred estimates

## Competitive landscape

### US specialist players



### Large fuel card specialists



### Local issuers & resellers



### International, regional and national oil companies

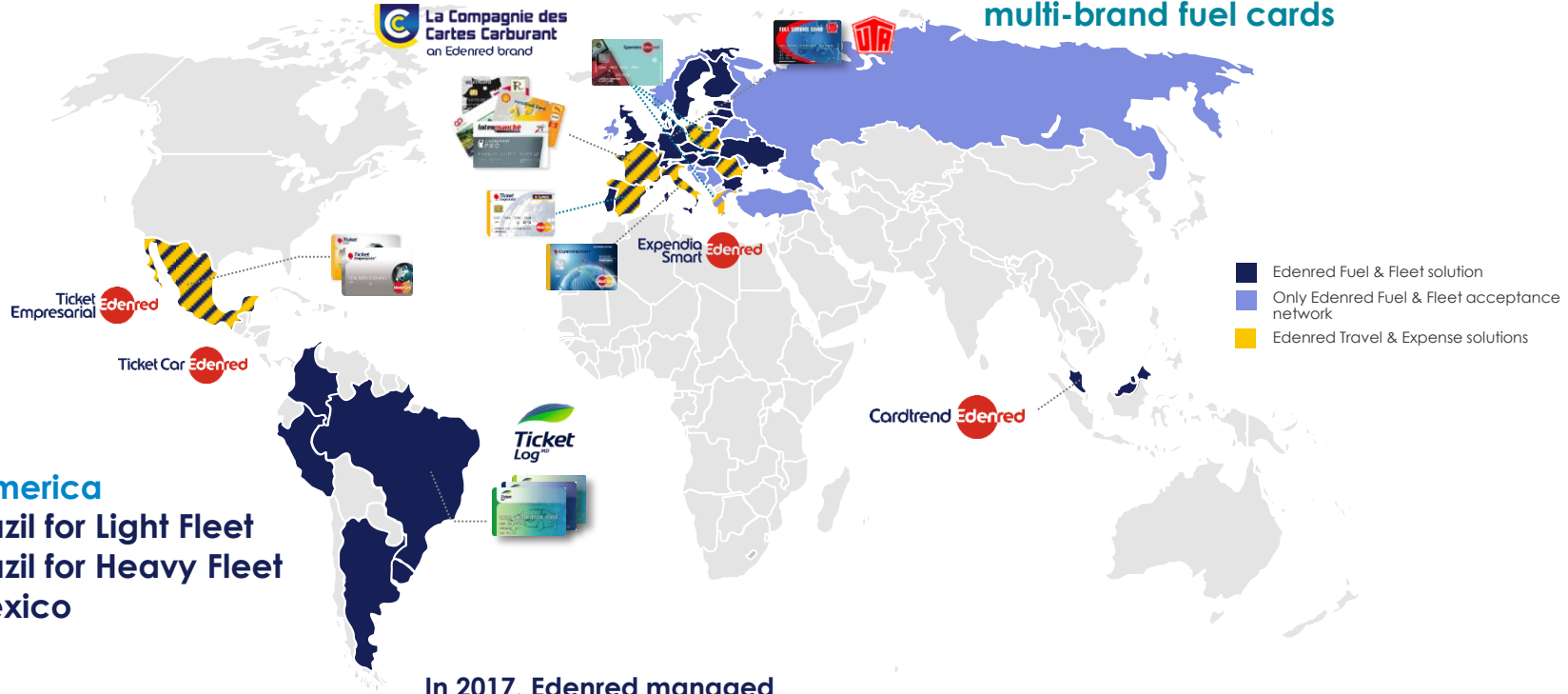


# EDENRED HAS BECOME A GLOBAL PLAYER ON THE FLEET & MOBILITY MARKET

A large footprint in Latin America & Europe



#2 Europe-wide player in multi-brand fuel cards



## #1 in Latin America

- #1 in Brazil for Light Fleet
- #2 in Brazil for Heavy Fleet
- #1 in Mexico

In 2017, Edenred managed

6.6bn liters of fuel, 2.6m payment media, >90K points of acceptance

# FLEET & MOBILITY SOLUTIONS

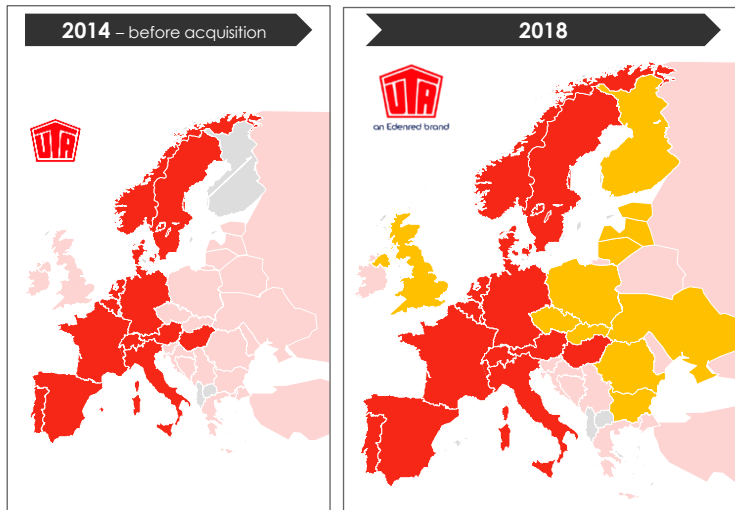
## Focus on UTA in Europe



- **Gradually increased stake**, from a **34%** minority interest in 2015, to an **83%** stake in early 2018<sup>(1)</sup>
- **New growth strategy well on track:**



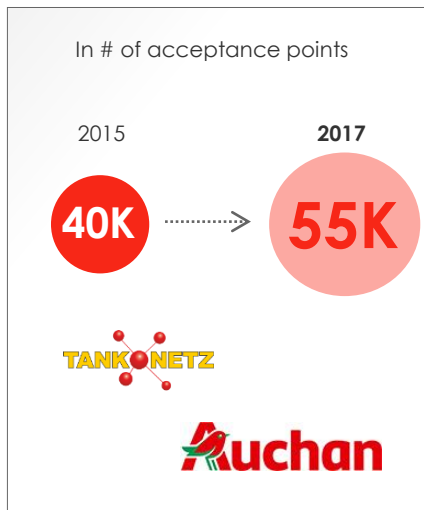
### Expand internationally



#### UTA footprint



### Enhance the network



### Tackle Light Fleet market

- **Development of Ticket Fleet Pro**, French solution giving access to UTA network (2,700 service stations in France)



- **Launch of a Light Fleet offer** in Germany and Italy

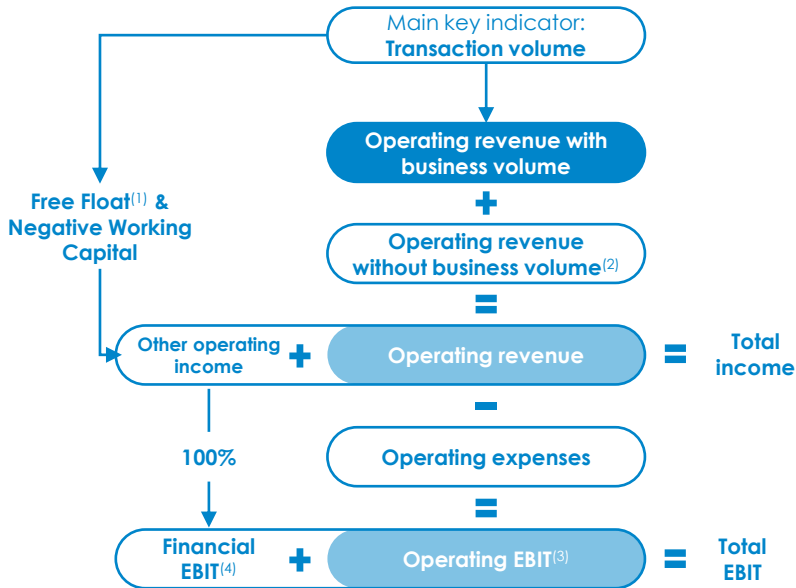


(1) The Eckstein family holds a put option on the remaining 17% of UTA's share capital.

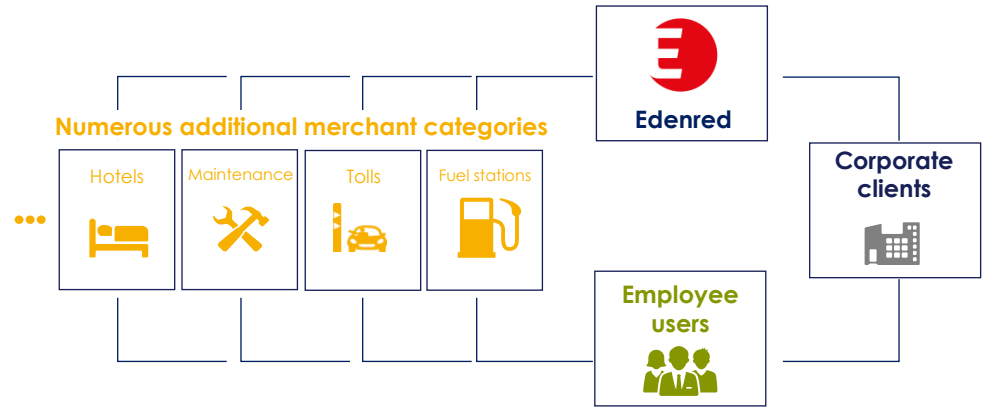
# FLEET & MOBILITY SOLUTIONS: BUSINESS MODEL

Fuel & Fleet and Travel & Expense solutions

## Fleet & Mobility solutions



Edenred is at the heart of a network of corporate clients, employee users and partner merchants



Operating revenue generation is a mix of:

- **Percentage based fees** on transaction value
- **Other fees** related and not related to volumes
- EBIT margin is **comparable to Employee Benefits** (~30%)
- Some preloaded solutions and DPO/DSO optimization generate negative working capital contributing to the **Free cash flow generation**

(1) The free float increase is contributing to the Free Cash Flow generation

(2) For example, maintenance and installation costs and periodic subscription fees

(3) ~30% of operating EBIT margin.

(4) 100% of other operating income (formerly financial revenue) is converted to EBIT





# COMPLEMENTARY SOLUTIONS

# COMPLEMENTARY SOLUTIONS

Several families of solutions

	<b>CORPORATE PAYMENT</b> 	<b>INCENTIVE &amp; REWARDS</b> 	<b>PUBLIC SOCIAL PROGRAMS</b> 
<b>Value-proposition</b>	Smarter & more efficiently manage <b>financial flows between companies</b>	<b>Boost motivation</b> of teams, <b>improve sale force performance</b> and build customer loyalty	Deliver specifically <b>allocated public funds</b> to citizens
<b>Solutions</b>	Virtual cards, Private payment network, payment API, ...	Incentives programs, gift cards...	Social benefits solutions (human service or education)
<b>Brands &amp; Products</b>	   	   	   

# EDENRED CORPORATE PAYMENT

Innovating to build solutions that make Corporate payments smart & efficient

PAY-OUT

VIRTUAL  
CARD  
PORTAL



NEW!



NEW!



VIRTUAL  
CARD  
API



NEW!



ACCOUNT  
PAYABLES  
SOLUTION



IDENTIFIED  
BANK  
TRANSFERS



**Pilot successfully  
launched**  
(to be extended  
potentially to 1.4m  
Foncia clients)

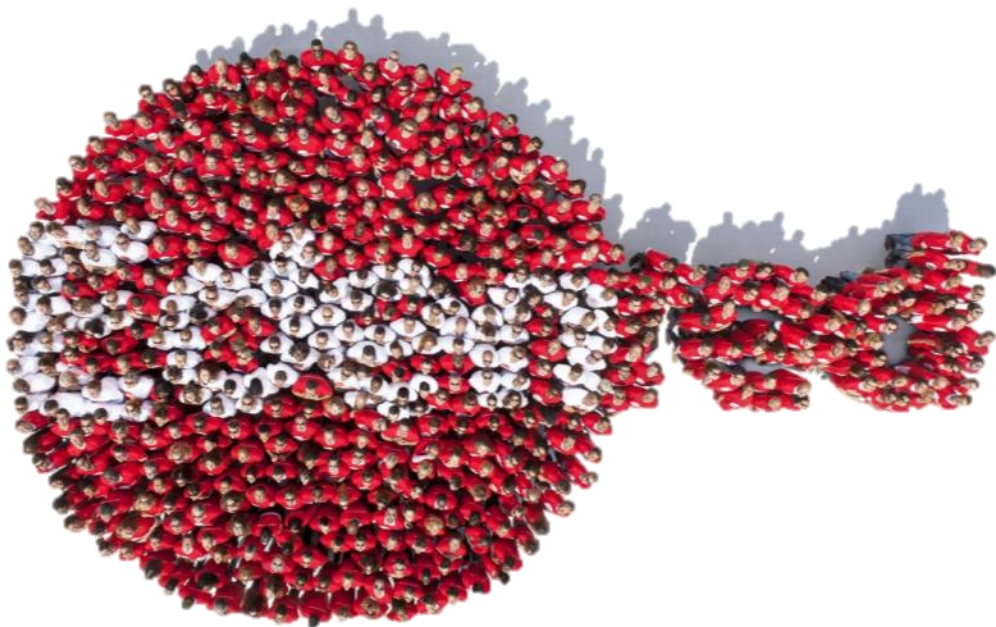
TAILOR-  
MADE  
PROGRAMS



**Live in 15 countries  
+23 new countries by  
end-2018**  
More than 90 countries  
assigned to Ederred (initial  
contract of 70 countries)

CASH-IN





# CONTACT

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