

H1 2012 Revenue CONFERENCE CALL

July 18, 2012



Edenred

H1 2012 Highlights

ISSUE VOLUME

+9.5% L/L growth, reflecting:

- ▶ Very strong dynamism in **Latin America** (+21.8% L/L), which represents more than 50% of total issue volume in H1
- ▶ Low growth in **Europe**, impacted by the decrease in the number of people in work (+1.2% L/L excluding Hungary¹)
- ▶ Sustained growth in **Rest of the world** (+11.7% L/L)

OPERATING REVENUE

- ▶ **+ 9.3% L/L** growth in **operating revenue with issue volume**
- ▶ Slight decline in businesses without issue volume (-2.1% L/L)

Total operating revenue up
+7.3% L/L

FINANCIAL REVENUE

+7.4% L/L growth,
despite decreasing market reference
rates in most countries

Total revenue up +7.3% L/L, mainly led by the performance in Latin America

H1 2012 Issue Volume: €7,865m

+9.5%

Like-for-like
€687m

+0.2%

Scope ⁽¹⁾
€15m

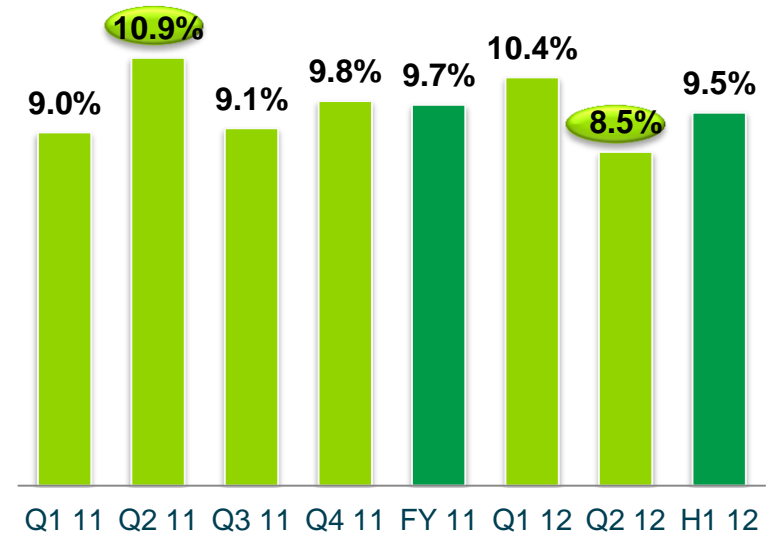
-1.4%

Currency
€(101)m

+8.3%

Reported
€601m

Issue Volume (L/L)



Issue volume up +9.5% L/L in H1, of which + 8.5% in Q2, partly reflecting a less favorable basis of comparison

(1) Including :

- A positive impact from the acquisition of Ristochef in Italy and a fuel cards provider in Mexico
- A negative impact from the termination of the Kadéos BtoC gift business in France



Latin America – H1 2012 Issue Volume: €4,041m

Issue Volume L/L Growth	Q1	Q2	H1
Brazil	+21.5%	+23.8%	+22.7%
Hispanic Latin America	+23.1%	+17.8%	+20.3%
TOTAL	+22.1%	+21.5%	+21.8%


► **Calendar effect in H1:** on average, +1.6% working days in Q1 and +0.4% in Q2

► Growth by driver:

- Favorable economic environment with job creation and wage inflation
- Good sales performance, as reflected by new large client wins, particularly in **Brazil**


- Ramp up of new solutions:

 **Ticket Restaurante®** in **Mexico** (+30.1% L/L in H1)

 **Junaeb** public social program in **Chile** (+36.7% L/L in H1)



► Growth by region:

 **Brazil:** Strong momentum in **meal & food vouchers** (+22.2% L/L in H1) and **Ticket Car®** (+22.9% L/L in H1)



- **Hispanic Latin America:** Solid performance of all solutions in H1 (+16.9% L/L for **meal & food vouchers**, and +29.6% L/L for **Ticket Car®**)





H1 issue volume up +21.8%, thanks to a favorable economic environment and good sales performance

Europe – H1 2012 Issue Volume: €3,563m

Issue Volume L/L Growth	Q1	Q2	H1
Western Europe	+2.6%	-0.1%	+1.3%
Central Europe	-17.3%	-22.8%	-20.3%
TOTAL	-0.3%	-3.8%	-2.1%
TOTAL excl. Hungary	+2.7%	-0.2%	+1.2%

▶ **Calendar effect in H1:** on average, +1.9% working days in Q1 and -2.2% in Q2

▶ **Western Europe:**

- 🇫🇷 **France:** good performance (+2.1% L/L in H1), thanks to new **Ticket Restaurant®** client wins (+3.5% L/L growth in meal vouchers in H1) 
- 🇬🇧 **UK:** good performance of **Childcare Vouchers®** (+5.4% L/L in H1) 
- 🇮🇹 **Italy:** negative impact of higher unemployment (-1.3% L/L in H1, of which -2.1% L/L in Q2)

▶ **Central Europe:**

- 🇭🇺 **Hungary:** business severely hit by unfair competition (-85.4% L/L in H1)
 - **Central Europe excluding Hungary:** stable business in H1

Low growth in H1 excluding Hungary, in a context of low inflation and rising unemployment, especially in Italy

H1 2012 Operating Revenue: €465m

Operating Revenue Growth (L/L)

Like-for-like

€34m

Scope ⁽¹⁾

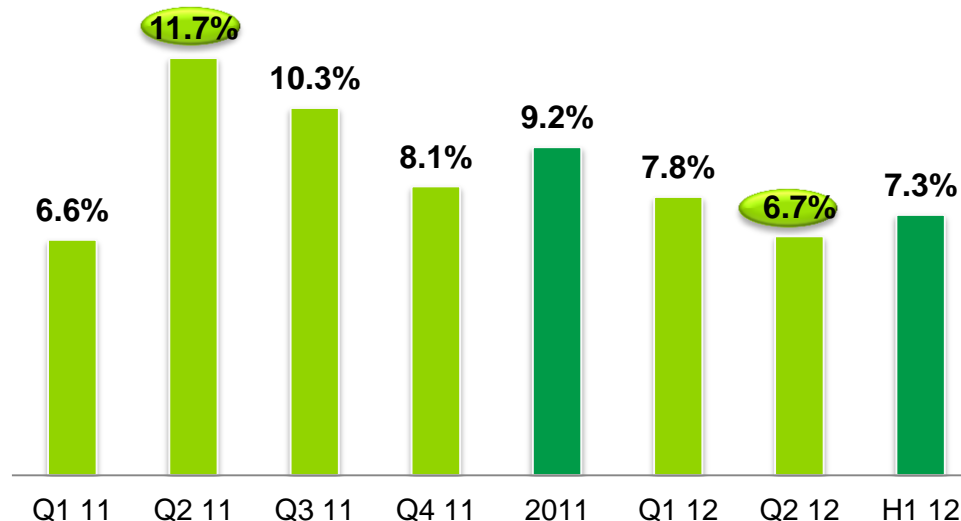
€(20)m

Currency

€(5)m

Reported

€9m



	Q1 11	Q2 11	Q3 11	Q4 11	2011	Q1 12	Q2 12	H1 12
<i>With IV</i> ⁽²⁾	+6.7%	+10.5%	+9.5%	+9.3%	+9.0%	+9.4%	+9.2%	+9.3%
<i>Without IV</i>	+6.4%	+17.3%	+15.5%	+3.3%	+9.6%	+0.3%	-4.3%	-2.1%

Currency effect ⁽³⁾

	Q1	Q2	H1
BRL	-0.5%	-3.1%	-1.8%
MXN	-0.2%	-0.1%	-0.1%
VEF	+0.3%	+0.9%	+0.6%
Other	-0.1%	+0.5%	+0.2%
TOTAL	-0.5%	-1.8%	-1.1%

+7.3%

-4.3%

-1.1%

+1.9%

(1) Including:

• A positive impact from the acquisitions of Ristochef in Italy and a fuel cards provider in Mexico

• A negative impact from the termination of the Kadéos BtoC gift business in France, and the disposal of Davidson Trahaire and other non-core businesses. See slide 17

(2) IV: Issue Volume

(3) See exchange rates on slide 18



H1 2012 Operating Revenue Growth

Operating Revenue L/L Growth by Type of Revenue

	Q1	Q2	H1
With IV ⁽¹⁾	+9.4%	+9.2%	+9.3%
Without IV	+0.3%	-4.3%	-2.1%
TOTAL	+7.8%	+6.7%	+7.3%

Operating Revenue with IV⁽¹⁾ L/L Growth by Region

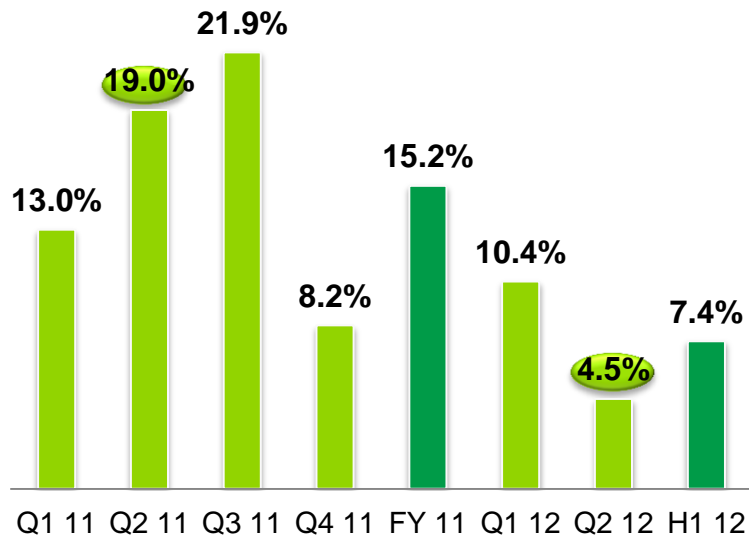
	Q1	Q2	H1
Latin America	+19.7%	+19.9%	+19.8%
Europe	-1.1%	-1.3%	-1.2%
<i>Europe excl. Hungary</i>	+2.4%	+2.3%	+2.4%
Rest of the world	+14.1%	+8.8%	+11.4%
TOTAL	+9.4%	+9.2%	+9.3%

- ▶ **Operating revenue with issue volume (€401m):** take-up rate⁽²⁾ stable overall in H1
- ▶ **Operating revenue without issue volume (€64m):** slight decline, with a negative impact from non-recurring contracts recorded in Q2 2011 in the German marketing services business (lower margins businesses)

Operating revenue up +7.3% L/L in H1 2012, reflecting the strong performance by businesses with issue volume (up +9.3% L/L) and a slight decline in businesses without issue volume

H1 2012 Financial Revenue: €46m

Financial Revenue Growth (L/L)



Financial Revenue L/L Growth

	Q1	Q2	H1
Latin America	+15.1%	+4.2%	+9.6%
Europe	+4.4%	+2.1%	+3.2%
Rest of the world	+59.5%	+51.1%	+55.1%
TOTAL	+10.4%	+4.5%	+7.4%

Financial revenue rose by +7.4% L/L in H1, of which +4.5% L/L in Q2, in a context of decreasing market reference rates in most countries

H1 2012 Total Revenue: €511m

Total Revenue Growth (L/L)

+7.3%

Like-for-like
€37m

-4.2%

Scope ⁽¹⁾
€(21)m

-1.2%

Currency
€(6)m

+1.9%

Reported
€10m

<i>L/L growth</i>	Q1	Q2	H1
<i>Operating Revenue with IV ⁽²⁾</i>	+9.4%	+9.2%	+9.3%
<i>Operating Revenue without IV</i>	+0.3%	-4.3%	-2.1%
Operating Revenue	+7.8%	+6.7%	+7.3%
Financial Revenue	+10.4%	+4.5%	+7.4%
Total Revenue	+8.0%	+6.5%	+7.3%

Currency effect ⁽³⁾

	Q1	Q2	H1
BRL	-0.5%	-3.0%	-1.8%
MXN	-0.2%	-0.1%	-0.1%
VEF	+0.3%	+0.9%	+0.6%
Other	-0.1%	+0.4%	+0.1%
TOTAL	-0.5%	-1.8%	-1.2%

Good total revenue performance, up +7.3% L/L in H1, of which +6.5% in Q2, thanks to strong growth in operating revenue with issue volume, partly offset by lower financial revenue growth in the second quarter

(1) Including:

- A positive impact from the acquisitions of Ristochef in Italy and a fuel cards provider in Mexico
- A negative impact from the termination of the Kadéos BtoC gift business in France, and the disposal of Davidson Trahaire and other non-core businesses. See slide 17

(2) IV: Issue Volume

(3) See exchange rates on slide 18

H1 2012 Revenue

Conclusion

Conclusion

H1 Issue Volume up +9.5% L/L

- ▶ **Good overall performance**, in line with the mid-term Group target of **+6% to +14% L/L** growth per year
- ▶ **Performance varied by region**: strong momentum in Latin America (**up +21.8% L/L**) and in Rest of the world (**up +11.7% L/L**); low growth in Europe excluding Hungary (**up +1.2% L/L**)

H1 Total Revenue up +7.3% L/L

- ▶ **Operating Revenue**: strong performance by businesses with issue volume (**up +9.3% L/L**), and slight decline in businesses without issue volume
- ▶ **Financial Revenue up +7.4% L/L** despite decreasing market reference rates in most countries

Good performance in H1, reflecting a strong dynamic in Latin America but a more difficult economic situation in Europe

H1 2012 Revenue

Appendices

Issue Volume

In € millions	Q1		Q2		H1	
	2011	2012	2011	2012	2011	2012
France	659	666	617	613	1,276	1,279
Rest of Europe	1,148	1,127	1,232	1,157	2,380	2,284
Latin America	1,628	1,987	1,742	2,054	3,370	4,041
Rest of the world	119	129	120	132	239	261
TOTAL ISSUE VOLUME	3,554	3,909	3,710	3,956	7,264	7,865

In %	Q1		Q2		H1	
	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*
France	1.0%	2.7%	-0.6%	1.4%	0.2%	2.1%
Rest of Europe	-1.8%	-2.0%	-6.1%	-6.4%	-4.0%	-4.3%
Latin America	22.1%	22.1%	17.9%	21.5%	19.9%	21.8%
Rest of the world	8.4%	13.6%	10.3%	9.8%	9.3%	11.7%
TOTAL ISSUE VOLUME	10.0%	10.4%	6.6%	8.5%	8.3%	9.5%

* At constant scope of consolidation and exchange rates

Operating Revenue

In € millions	Q1		Q2		H1	
	2011	2012	2011	2012	2011	2012
France	36	34	34	32	70	66
Rest of Europe	81	76	78	72	159	148
Latin America	94	113	100	115	194	228
Rest of the world	17	11	16	12	33	23
OPERATING REVENUE	227	234	229	231	456	465

In %	Q1		Q2		H1	
	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*
France	-7.1%	2.5%	-3.3%	3.3%	-5.3%	2.9%
Rest of Europe	-5.7%	-4.7%	-8.0%	-6.6%	-6.8%	-5.7%
Latin America	20.9%	20.9%	14.8%	18.8%	17.7%	19.8%
Rest of the world	-35.0%	6.1%	-30.7%	3.7%	-32.9%	4.9%
OPERATING REVENUE	2.8%	7.8%	1.0%	6.7%	1.9%	7.3%

* At constant scope of consolidation and exchange rates

Financial Revenue

In € millions	Q1		Q2		H1	
	2011	2012	2011	2012	2011	2012
France	5	5	5	5	10	10
Rest of Europe	7	8	8	7	16	15
Latin America	9	10	9	9	17	19
Rest of the world	1	1	1	1	1	2
FINANCIAL REVENUE	22	24	23	22	44	46

In %	Q1		Q2		H1	
	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*
France	0.6%	5.4%	-2.3%	1.1%	-0.9%	3.2%
Rest of Europe	7.1%	3.8%	-14.2%	2.7%	-4.0%	3.2%
Latin America	13.9%	15.1%	-1.1%	4.2%	6.3%	9.6%
Rest of the world	39.9%	59.5%	36.6%	51.1%	38.2%	55.1%
FINANCIAL REVENUE	9.3%	10.4%	-4.8%	4.5%	2.1%	7.4%

* At constant scope of consolidation and exchange rates



Total Revenue

In € millions	Q1		Q2		H1	
	2011	2012	2011	2012	2011	2012
France	41	39	39	37	80	76
Rest of Europe	88	84	87	79	175	163
Latin America	102	123	109	124	211	247
Rest of the world	18	12	17	13	35	25
TOTAL REVENUE	249	258	251	253	501	511

In %	Q1		Q2		H1	
	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*
France	-6.1%	2.9%	-3.2%	3.0%	-4.7%	3.0%
Rest of Europe	-4.6%	-4.0%	-8.6%	-5.8%	-6.6%	-4.9%
Latin America	20.3%	20.4%	13.5%	17.7%	16.8%	19.0%
Rest of the world	-32.2%	8.1%	-27.9%	5.7%	-30.0%	6.9%
TOTAL REVENUE	3.4%	8.0%	0.5%	6.5%	1.9%	7.3%

* At constant scope of consolidation and exchange rates

Scope Effects

Total P&L Impacts of Disposals⁽¹⁾ in 2012

<i>In € millions</i>	2012				
	Q1	Q2	Q3	Q4	FY
Issue Volume	(11)	(12)	(9)	(28)	(60)
Operating revenue	(11)	(9)	(5)	(2)	(27)
EBIT	(6)		(2)		(8)

(1) Of which French corporate concierge operations in April 2011, WorkPlace Benefits in May 2011, Davidson Trahaire (Australia) in August 2011 and the termination of Kadéos gift card issuance in France since January 1, 2012

Exchange Rates

<i>1€ = X foreign currency</i>	Q1 2011 average rate	Q1 2012 average rate	2012 vs. 2011 Change (in %)	Q2 2011 average rate	Q2 2012 average rate	2012 vs. 2011 Change (in %)	H1 2011 average rate	H1 2012 average rate	2012 vs. 2011 Change (in %)
Bolivar Fuerte (VEF)	7.24	6.95	-4.0%	7.64	6.80	-11.0%	7.44	6.88	-7.6%
Brazilian real (BRL)	2.28	2.31	+1.6%	2.30	2.51	+9.4%	2.29	2.41	+5.4%
Hungarian Forint (HUF)	272.46	296.64	+8.9%	266.08	293.98	+10.5%	269.27	295.31	+9.7%
Mexican Peso (MXN)	16.49	17.01	+3.2%	16.91	17.34	+2.5%	16.70	17.17	+2.8%
Romanian Leu (RON)	4.22	4.35	+3.1%	4.14	4.43	+7.0%	4.18	4.39	+5.0%
Sterling (GBP)	0.85	0.83	-2.2%	0.89	0.82	-8.1%	0.87	0.82	-5.3%
Turkish Lira (TRY)	2.16	2.35	+9.1%	2.25	2.32	+3.1%	2.21	2.34	+5.9%
US Dollar (USD)	1.37	1.31	-4.0%	1.44	1.28	-11.0%	1.40	1.30	-7.6%

Edenred's Regions and Countries

