



# Q3 2019 Revenue

October 18, 2019



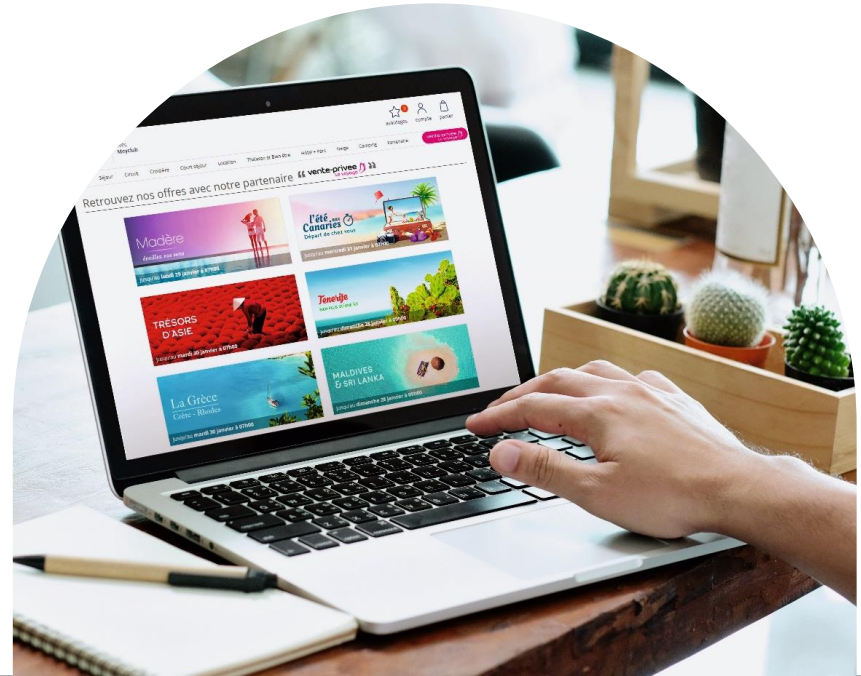
# EXECUTIVE SUMMARY

- ▶ **In the first 9 months of 2019, total revenue of €1,170m, up 18.1% as reported and 14.3% like-for-like**
- ▶ **Sustained double-digit growth in Q3 2019, with total revenue of €393m, up 20.7% as reported and 13.8% like-for-like**
  - **Double-digit operating revenue growth in all regions and all business lines**, in line with H1 2019
  - **A positive scope effect of 6.0%**, reflecting the contribution from acquisitions in recent months
  - **A slightly positive currency impact of 0.8%** in Q3, after a 2.1% negative effect in H1
- ▶ **Enhancements to our global digital platform, enabling both better performance and faster innovation to generate sustainable and profitable growth**
- ▶ **Edenred is confident in outperforming its medium-term organic growth targets for operating revenue (>+7%), operating EBIT (>+9%) and FFO (>+10%) for 2019**
- ▶ **Edenred confirms FY 2019 EBIT guidance of between €520m and €550m**



# Agenda

1. Q3 2019 Revenue
2. 2019 Outlook

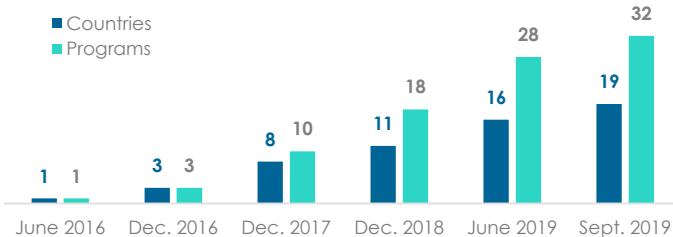


# LEVERAGING OUR PLATFORM TO INNOVATE

Fast roll-out of innovative solutions fitting user needs

## Fast and seamless mobile payment

via proprietary solutions and global wallet service providers



**New launches in Q3**  
**+3 countries**  
**+4 programs**

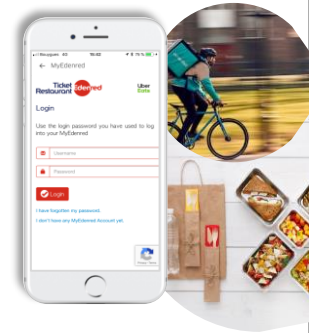
## Seamless digital app-to-app payment

with Edenred Direct Payment Services

### Access and pay with Edenred credentials

#### First use case: **Meal delivery platforms**

- ▶ Solid ramp-up in France:
  - # of **transactions x3** in one year
  - Highly recurring usage, with **40% of users ordering more than 5 times**
- ▶ **Live in Belgium** since Q2 2019
- ▶ **More countries to come**



# Q3 2019 HIGHLIGHTS

## Acquisitions & Partnerships

### 2 acquisitions in Q3: Benefit Online and EBV Finance

#### Building a leading European position in employee engagement platforms



- ▶ Acquisition of Benefit Online, a pioneer in employee engagement platforms in Romania

#### Deploying value-added services in Fleet & Mobility



- ▶ Acquisition of EBV Finance, a Lithuanian company specialized in tax refunds for European transportation companies
- ▶ Becoming the #3 player in Europe and generating strong synergies with Nikosax

### Exclusive partnership with Itaú Unibanco in Brazil

#### Closing of the exclusive partnership with Itaú Unibanco, Brazil largest privately owned bank



Itaú Unibanco is now exclusively distributing Edenred's Employee Benefits in Brazil

Progressive ramp-up of the partnership throughout 2020

# YTD 2019 TOTAL REVENUE: €1,170M

Up 18.1%, fueled by strong 14.3% organic growth and positive scope effects

	Q3 2019	YTD 2019
	€393m	€1,170m
<b>Reported</b>	<b>+20.7%</b>	<b>+18.1%</b>
Venezuela	+0.1%	-0.0%
Scope	+6.0%	+5.0%
Currency (excluding Venezuela)	+0.8%	-1.2%
<b>Like-for-like</b> (excluding Venezuela)	<b>+13.8%</b>	<b>+14.3%</b>
	€325m	€990m
	Q3 2018	YTD 2018

## ▸ Total revenue growth in Q3 2019

In €m	Q3 19	Q3 18	Reported change	L/L change (excluding Venezuela)
Operating revenue	377	313	+20.3%	+13.2%
Other revenue	16	12	+31.7%	+28.1%
<b>Total revenue</b>	<b>393</b>	<b>325</b>	<b>+20.7%</b>	<b>+13.8%</b>

## ▸ Total revenue growth in YTD 2019

In €m	YTD 19	YTD 18	Reported change	L/L change (excluding Venezuela)
Operating revenue	1,125	953	+18.0%	+14.0%
Other revenue	45	37	+20.8%	+22.0%
<b>Total revenue</b>	<b>1,170</b>	<b>990</b>	<b>+18.1%</b>	<b>+14.3%</b>

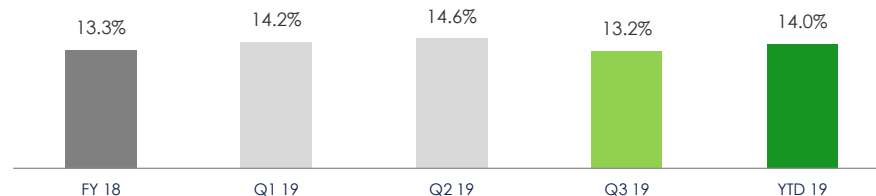


# Q3 & YTD 2019 OPERATING REVENUE

Double-digit growth in both organic and reported figures

	Q3 2019	YTD 2019
	<b>€377m</b>	<b>€1,125m</b>
<b>Reported</b>	<b>+20.3%</b>	<b>+18.0%</b>
Venezuela	+0.1%	-0.0%
Scope	+6.3%	+5.2%
Currency (excluding Venezuela)	+0.7%	-1.2%
<b>Like-for-like</b> (excluding Venezuela)	<b>+13.2%</b>	<b>+14.0%</b>
	<b>€313m</b>	<b>€953m</b>
	Q3 2018	YTD 2018

## L/L operating growth



## €49m from scope effects in first nine months of 2019, mainly coming from:

-  CSI (USA; Corporate Payment Services; January)
-  TRFC (UK; Fleet & Mobility Solutions; January)
-  Merits & Benefits and Ekvita (Belgium; Employee Benefits; January)
-  Easy Welfare (Italy; Employee Benefits; May)

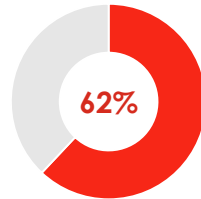
## €(11)m from currency effects in YTD 2019

	Impact in €m
<b>ARS</b>	<b>(9)</b>
<b>BRL</b>	<b>(5)</b>
<b>MXN</b>	<b>4</b>
<b>Other</b>	<b>(1)</b>

# YTD 2019 OPERATING REVENUE BREAKDOWN (1/2)

Double-digit growth across all business lines

## EMPLOYEE BENEFITS



% OF YTD 2019  
GROUP OPERATING  
REVENUE

YTD 2019 OPERATING  
REVENUE

€699m

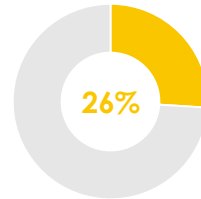
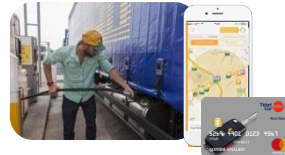
+13.5%

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

+13.0%

YTD 2019 REPORTED  
OPERATING REVENUE GROWTH

## FLEET & MOBILITY SOLUTIONS

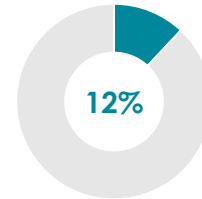


€296m

+15.1%

+20.3%

## COMPLEMENTARY SOLUTIONS



€131m

+14.7%

+45.8%

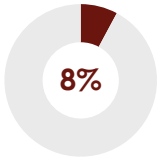
- Corporate Payment Services
- Incentive & Rewards
- Public Social Programs



# YTD 2019 OPERATING REVENUE BREAKDOWN (2/2)

Double-digit organic growth across all regions

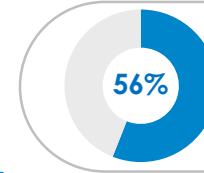
## Rest of the World



**+20.1% L/L**

**+72.6% as reported**

## Europe



**+12.9% L/L**

**+16.4% as reported**

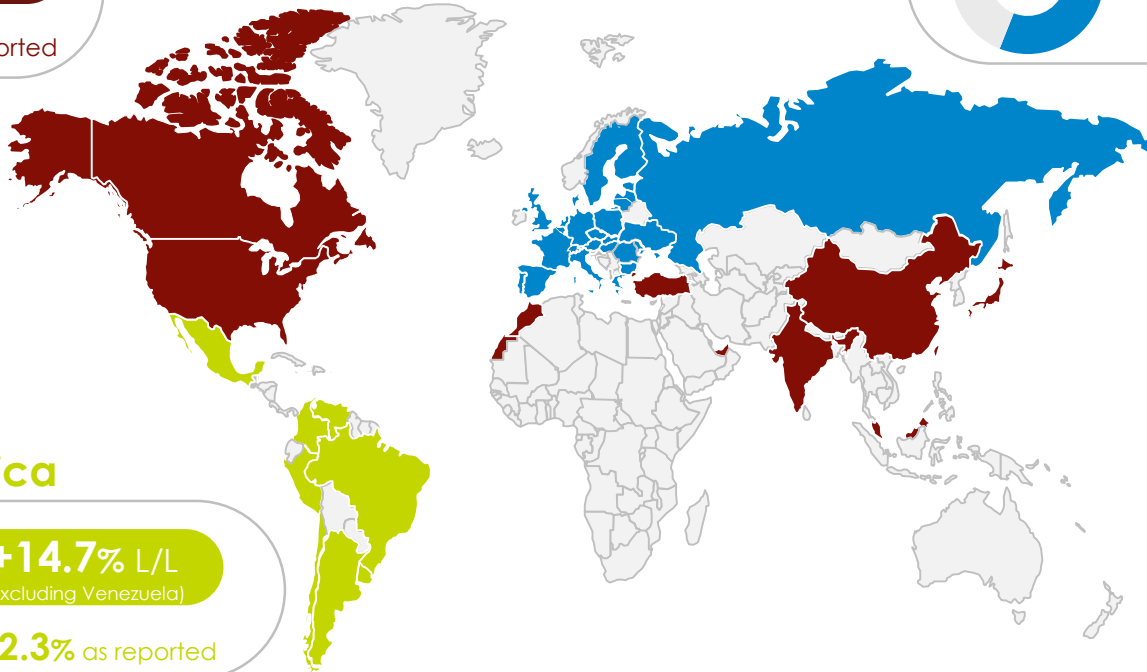
## Latin America



**+14.7% L/L**

(excluding Venezuela)

**+12.3% as reported**

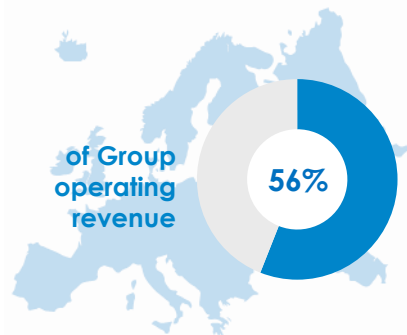


 % of YTD 2019 Group operating revenue



# YTD 2019 OPERATING REVENUE – EUROPE

Sustained double-digit organic growth



YTD 2019  
operating revenue

€630m

+12.9% L/L

+16.4% as reported  
vs. €541m in YTD 2018

2019 vs. 2018 L/L growth

L/L growth	2019 vs. 2018 L/L growth			
	Q1	Q2	Q3	YTD
France	+9.0%	+8.2%	+9.2%	+8.8%
Europe excl. France	+16.3%	+15.6%	+12.7%	+14.8%
<b>Total Europe</b>	<b>+13.8%</b>	<b>+13.4%</b>	<b>+11.7%</b>	<b>+12.9%</b>

## Double-digit organic growth in both Employee Benefits and Fleet & Mobility Solutions

### France:

- ▶ Solid growth from **Ticket Restaurant**, fueled by **innovative digital offers and increased SME targeting**
- ▶ Good performance by **ProwebCE** employee engagement platform
- ▶ Sustained strong performance by **light fleet offer**

### Rest of Europe:

- ▶ Solid growth in **Employee Benefits**, despite a high comparison basis in Q3 2018
- ▶ Good sales momentum and strong ramp-up of value-added services in **Fleet & Mobility Solutions**

# YTD 2019 OPERATING REVENUE – LATIN AMERICA

Continued strong momentum in Brazil and Hispanic Latin America



YTD 2019 operating revenue  
**€403m**  
 +14.7% L/L  
 +12.3% as reported vs. €359m in YTD 2018

(excluding Venezuela)	2019 vs. 2018 L/L growth			
	Q1	Q2	Q3	YTD
Hispanic Latin America	+19.7%	+21.1%	+20.7%	+20.5%
Brazil	+11.7%	+12.9%	+12.7%	+12.4%
<b>Total Latin America</b>	<b>+13.9%</b>	<b>+15.1%</b>	<b>+15.1%</b>	<b>+14.7%</b>

► Double-digit organic growth in both Employee Benefits and Fleet & Mobility Solutions

► Brazil:

- Solid growth in Employee Benefits in Q3
- Good business momentum in Fleet & Mobility Solutions with fast ramp-up of toll & maintenance solutions

► Hispanic Latin America:

- Sustained performance in Employee Benefits
- Successful regional roll-out of innovative Fleet & Mobility Solutions, e.g., NFC tag solution



## YTD 2019 OTHER REVENUE

Recovery following a challenging 2018

In €m	YTD 19	YTD 18	Reported change	L/L change (excluding Venezuela)
Latin America	27	24	+14.2%	+14.0%
Europe	13	10	+23.3%	+23.6%
Rest of the World	5	3	+63.2%	+77.8%
<b>Total</b>	<b>45</b>	<b>37</b>	<b>+20.8%</b>	<b>+22.0%</b>

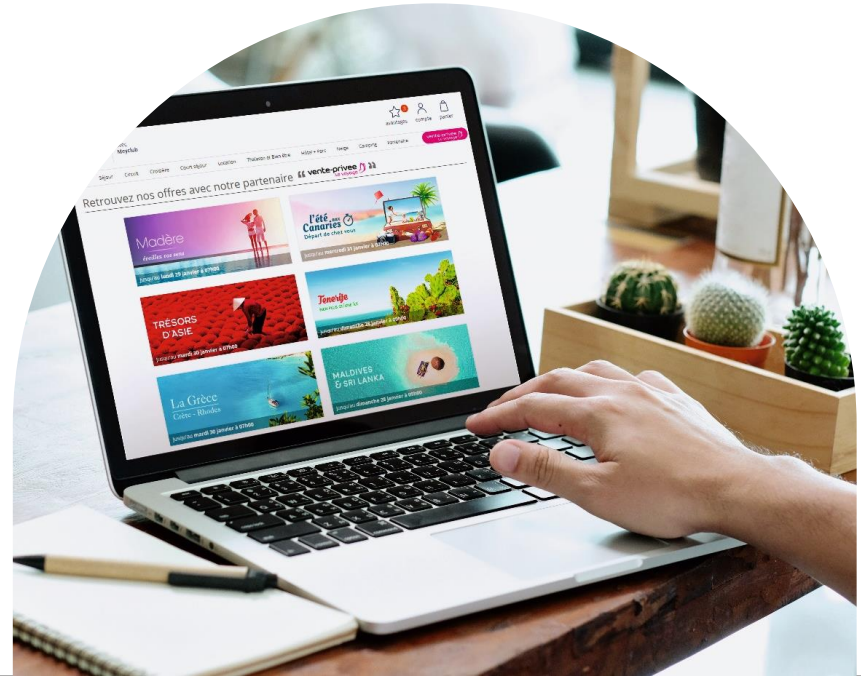
### Other revenue boosted by:

- ▶ Good business momentum (business volume increase)
- ▶ Positive effect from slightly higher interest rates outside the eurozone
- ▶ More favorable comparison basis since Q1 2019



# Agenda

1. Q3 2019 Revenue
2. 2019 Outlook



## FY 2019 OUTLOOK

- **Enhancements to our global digital platform**, enabling both **better performance and faster innovation** to **generate sustainable and profitable growth**
- **Sustained growth in all regions and all business lines** thanks to **business excellence** and **innovation capabilities**
- Ongoing **integration** and **ramp-up** of recent **acquisitions and partnerships**



## FY 2019 OUTLOOK

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

Edenred confirms FY 2019 EBIT guidance of between:

**€520m and €550m<sup>(1)</sup>**



(1) Based on an assumption of an average Brazilian real/Euro exchange rate for the second half of the year equal to the closing rate on June 30, 2019.

# CAPITAL MARKETS DAY - OCTOBER 23, 2019



## JOIN THE WEBCAST

*October 23, 2019 - from 9 am (UK time)*

[www.edenred.com](http://www.edenred.com)

*A replay will be available*



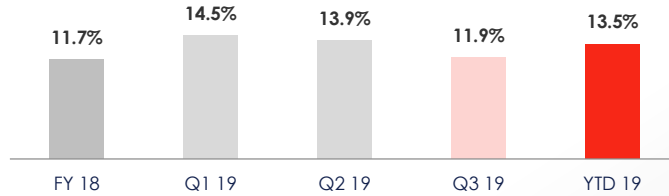




# Appendices

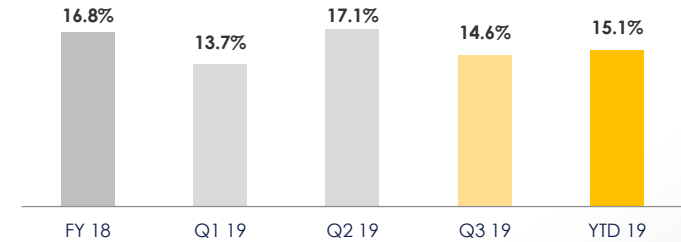
# EMPLOYEE BENEFITS AND FLEET & MOBILITY SOLUTIONS ORGANIC OPERATING REVENUE GROWTH

## Employee Benefits



L/L operating revenue growth (excluding Venezuela)

## Fleet & Mobility



L/L operating revenue growth



# OPERATING REVENUE

In € millions	Q1		Q2		Q3		YTD	
	2019	2018	2019	2018	2019	2018	2019	2018
Europe	213	183	209	179	208	179	630	541
<i>France</i>	69	63	59	55	59	54	187	172
<i>Rest of Europe</i>	144	120	150	124	149	125	443	369
Latin America	128	119	138	124	137	116	403	359
Rest of the world	28	17	32	18	32	18	92	53
<b>Operating revenue</b>	<b>369</b>	<b>319</b>	<b>379</b>	<b>321</b>	<b>377</b>	<b>313</b>	<b>1,125</b>	<b>953</b>

In %	Q1		Q2		Q3		YTD	
	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)
Europe	+16.4%	+13.8%	+16.4%	+13.4%	+16.4%	+11.7%	+16.4%	+12.9%
<i>France</i>	+9.0%	+9.0%	+8.2%	+8.2%	+9.2%	+9.2%	+8.8%	+8.8%
<i>Rest of Europe</i>	+20.3%	+16.3%	+20.0%	+15.6%	+19.4%	+12.7%	+19.9%	+14.8%
Latin America	+7.3%	+13.9%	+12.5%	+15.1%	+17.3%	+15.1%	+12.3%	+14.7%
Rest of the world	+64.1%	+20.9%	+73.5%	+23.1%	+79.8%	+16.3%	+72.6%	+20.1%
<b>Operating revenue</b>	<b>+15.6%</b>	<b>+14.2%</b>	<b>+18.1%</b>	<b>+14.6%</b>	<b>+20.3%</b>	<b>+13.2%</b>	<b>+18.0%</b>	<b>+14.0%</b>

## OTHER REVENUE (FORMERLY FINANCIAL REVENUE)

In € millions	Q1		Q2		Q3		YTD	
	2019	2018	2019	2018	2019	2018	2019	2018
Europe	4	4	4	3	4	3	13	10
France	2	2	1	1	1	1	5	4
Rest of Europe	2	2	3	2	3	2	8	6
Latin America	9	8	9	8	10	8	27	24
Rest of the world	1	1	2	1	2	1	5	3
<b>Other revenue</b>	<b>14</b>	<b>13</b>	<b>15</b>	<b>12</b>	<b>16</b>	<b>12</b>	<b>45</b>	<b>37</b>

In %	Q1		Q2		Q3		YTD	
	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)
Europe	+11.9%	+12.0%	+28.5%	+28.8%	+29.5%	+30.1%	+23.3%	+23.6%
France	-1.3%	-1.3%	-1.4%	-1.4%	+6.0%	+6.0%	+0.9%	+0.9%
Rest of Europe	+24.0%	+24.1%	+56.2%	+56.7%	+45.8%	+46.7%	+41.9%	+42.5%
Latin America	+1.9%	+5.4%	+17.2%	+17.2%	+24.9%	+20.3%	+14.2%	+14.0%
Rest of the world	+42.5%	+66.0%	+59.3%	+90.0%	+88.4%	+77.3%	+63.2%	+77.8%
<b>Other revenue</b>	<b>+7.9%</b>	<b>+12.0%</b>	<b>+23.9%</b>	<b>+26.7%</b>	<b>+31.7%</b>	<b>+28.1%</b>	<b>+20.8%</b>	<b>+22.0%</b>

# TOTAL REVENUE

In € millions	Q1		Q2		Q3		YTD	
	2019	2018	2019	2018	2019	2018	2019	2018
Europe	217	187	213	182	212	182	643	551
France	71	65	60	56	60	55	192	176
Rest of Europe	146	122	153	126	152	127	451	375
Latin America	137	127	147	132	147	124	430	383
Rest of the world	29	18	34	19	34	19	97	56
<b>Total revenue</b>	<b>383</b>	<b>332</b>	<b>394</b>	<b>333</b>	<b>393</b>	<b>325</b>	<b>1,170</b>	<b>990</b>

In %	Q1		Q2		Q3		YTD	
	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)	Reported	L/L (excl. Venezuela)
Europe	+16.3%	+13.7%	+16.6%	+13.6%	+16.6%	+12.0%	+16.5%	+13.1%
France	+8.7%	+8.7%	+7.9%	+7.9%	+9.2%	+9.2%	+8.6%	+8.6%
Rest of Europe	+20.3%	+16.4%	+20.5%	+16.2%	+19.8%	+13.3%	+20.2%	+15.3%
Latin America	+6.9%	+13.3%	+12.8%	+15.3%	+17.7%	+15.4%	+12.4%	+14.7%
Rest of the world	+62.9%	+23.5%	+72.8%	+26.8%	+80.2%	+19.7%	+72.1%	+23.3%
<b>Total revenue</b>	<b>+15.3%</b>	<b>+14.1%</b>	<b>+18.3%</b>	<b>+15.0%</b>	<b>+20.7%</b>	<b>+13.8%</b>	<b>+18.1%</b>	<b>+14.3%</b>

# AVERAGE EXCHANGE RATE

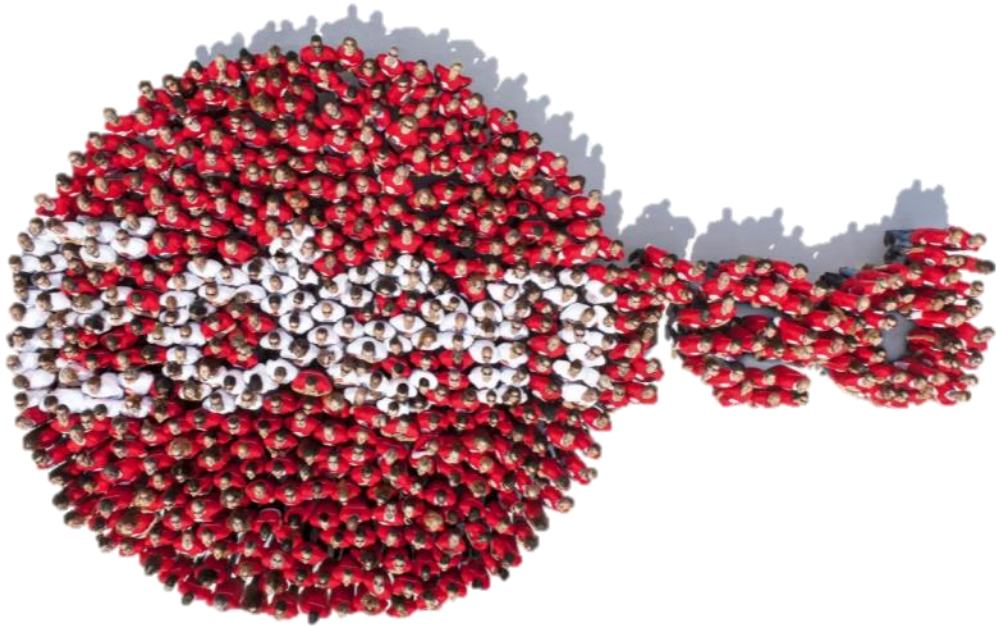
€1 = X foreign currency	Average rates											2018 Average rates		Spot rate as of 30.09.2019	Spot rate as of 30.09.2018	
	Q1 2019	Q1 2018	2019 vs. 2018 Change (in %)	Q2 2019	Q2 2018	2019 vs. 2018 Change (in %)	Q3 2019	Q3 2018	2019 vs. 2018 Change (in %)	YTD 2019	YTD 2018	2019 vs. 2018 Change (in %)	Q4 2018			FY 2018
Brazilian real (BRL)	4.28	3.99	-6.7%	4.41	4.29	-2.6%	4.41	4.60	4.4%	4.37	4.30	-1.6%	4.35	4.31	4.53	4.65
Mexican Peso (MXN)	21.80	23.03	5.6%	21.50	23.12	7.5%	21.60	22.07	2.2%	21.63	22.74	5.1%	22.62	22.71	21.45	21.78
Argentine Peso (ARS)	44.33	24.23	-45.3%	49.34	28.02	-43.2%	56.12	37.38	-33.4%	49.93	29.88	-40.2%	42.37	33.00	62.71	47.82
British Pound Sterling (GBP)	0.87	0.88	1.3%	0.87	0.88	0.1%	0.90	0.89	-1.1%	0.88	0.88	0.1%	0.89	0.88	0.89	0.89
Turkish Lira (TRY)	6.11	4.69	-23.2%	6.60	5.22	-21.0%	6.31	6.60	4.7%	6.34	5.50	-13.2%	6.28	5.70	6.15	6.97
US Dollar (USD)	1.14	1.23	8.3%	1.12	1.19	6.1%	1.11	1.16	4.6%	1.12	1.19	6.3%	1.14	1.18	1.09	1.16
Bolivar Sovereign (VES)	2 992	0.28	-99.99%	5 793	0.85	-99.99%	15 917	34.07	-99.8%	8 234	11.73	-99.9%	182.87	54.52	22 869	71.73



## 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
<b>TOTAL</b>	<b>-1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>





# CONTACT

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