

Sustained organic growth in first quarter 2014, with issue volume up 13.7%

- **Sustained organic growth** in the first quarter, with:
 - **Issue volume of €4,062 million, up 13.7% like-for-like**, reflecting solid growth in **Latin America** (up 17.0%), improving trends in **Europe** (up 9.8%) and a strong performance in the **Rest of the World** (up 14.9%).
 - **Total revenue up 7.1% like-for-like at €238 million**, with **operating revenue with issue volume up 11.0%** and **stable financial revenue (up 1.0%)**.
- **An unfavorable currency effect**, notably with the depreciation of the Brazilian real and change in the exchange rate for the Venezuelan bolivar fuerte, **with an impact on reported issue volume of 14.9% and of 14.1% on reported revenue**.
- **Edenred confirms its objective¹ of 8% to 14% annual growth in issue volume over the medium-term**.

(in € millions)	First quarter 2013 ²	First quarter 2014	% change	
			Reported	Like-for-like ³
Issue volume	3,973	4,062	+2.2%	+13.7%
Operating revenue with issue volume ⁴	198	194	-1.8%	+11.0%
Operating revenue without issue volume ⁵	31	26	-18.2%	-13.9%
Financial revenue	20	18	-10.7%	+1.0%
Total revenue	250	238	-4.6%	+7.1%

¹ The normalized growth target for the period 2010-2016 is between 8% and 14% for issue volume. Normalized growth is the objective that the Group considers to be attainable in a context in which unemployment does not rise.

² Pro forma figures: application of the VEF 11.3/\$ rate from January 1, 2013 versus figures reported in 2013 with a rate of VEF 6.3/\$ over the first three quarters of 2013. The full annual impact of the change in VEF/\$ rate (from 6.3 to 11.3) was recognized in the fourth quarter.

³ At constant scope of consolidation and exchange rates (corresponding to organic growth).

⁴ Corresponds mainly to fees paid on prepaid service vouchers.

⁵ Operating revenue without issue volume corresponds to revenue generated by value added businesses such as incentive programs, human services, and event-related services.

FIRST QUARTER 2014 ISSUE VOLUME UP 13.7% LIKE-FOR-LIKE

In the first quarter of 2014, issue volume grew **13.7% like-for-like to €4,062 million**. The reported increase was 2.2%, reflecting the 3.4%⁶ positive impact of changes in scope of consolidation and a 14.9% negative currency effect over the period.

Like-for-like growth in issue volume by region

<i>Like-for-like growth in issue volume</i>	First quarter 2014
Latin America	+17.0%
Europe	+9.8%
Rest of the world	+14.9%
TOTAL	+13.7%

- **Latin America: €1.9 billion in first-quarter issue volume**

Issue volume in **Latin America** rose by 17.0% like-for-like in the first quarter. It reflects strong sales performances and a favorable economic environment.

In **Brazil**, issue volume was up 14.4% like-for-like. The rise was attributable to higher penetration rates and increased face values for the Ticket Restaurante[®] and Ticket Alimentação solutions (generating 12.4% like-for-like growth) and to a dynamic sales performance by the Ticket Car expense management solution (with 23.5% like-for-like growth).

In **Hispanic Latin America**, issue volume grew 21.6% like-for-like, illustrating solid organic performances by the Ticket Restaurante[®] and Ticket Alimentação solutions, up 20.6%, and the Ticket Car solution, up 23.3%.

- **Europe: €2.0 billion in first-quarter issue volume**

In **Europe**, issue volume rose by a strong 9.8% like-for-like during the quarter.

In **France**, like-for-like growth was 7.2%. This good performance results from new client wins for Ticket Restaurant[®] (up 3.6% like-for-like) and a strong contribution from the Ticket CESU⁷, due to a positive calendar effect.

In the **Rest of Europe** region, issue volume grew 11.3% like-for-like in the first quarter. In **Italy**, issue volume rose slightly in a stabilizing economic environment. In the **United Kingdom**, new client wins and an increase in beneficiaries at existing clients helped to drive 6.7% like-for-like growth in Childcare Vouchers issue volume. In **Portugal**, where the market has been boosted by new legislation encouraging the adoption of meal vouchers, issue volume continued to grow and contributed 6.6 points of Rest of Europe growth.

⁶ Resulting mainly from acquisitions of Repom in Brazil, Opam in Mexico and Nets Prepaid in Finland.

⁷ A voucher prepaid by employers that allows employees to pay for a variety of personal services.

- **Rest of the world: issue volume of €145 million in the first quarter**

Issue volume in the **Rest of the World** rose by 14.9% like-for-like over the period. This performance was led by solid growth in Turkey, the region's primary contributor.

FIRST-QUARTER 2014 TOTAL REVENUE UP 7.1% LIKE-FOR-LIKE

Total revenue for the first quarter of 2014 amounted to **€238 million**, representing an increase of **7.1% like-for-like** over the prior year period. Total revenue comprises **operating revenue with issue volume** (up 11.0% like-for-like), operating revenue without issue volume (down 13.9% like-for-like⁸) and **financial revenue** (up 1.0% like-for-like). On a reported basis, the period-on-period change was a decline of 4.6%, after taking into account the 2.4% positive impact from changes in the scope of consolidation and the 14.1% negative currency effect.

- **First quarter 2014 operating revenue with issue volume up 11.0% like-for-like**

Operating revenue with issue volume increased by **11.0% like-for-like** to **€194 million** in the first quarter. The 2.7-point difference between the growth in issue volume and the growth in operating revenue with issue volume reflects the varying take-up rates⁹, which depend on the type of solution, country and contract size. Excluding Portugal, the difference was 1.2 points in the first quarter.

<i>Like-for-like growth in operating revenue with issue volume</i>	First quarter 2014
Latin America	+15.7%
Europe	+5.3%
Rest of the world	+15.9%
TOTAL	+11.0%

- **First-quarter 2014 financial revenue up 1.0% like-for-like**

Financial revenue was stable in the first quarter (**up 1.0% like-for-like**) to €18 million. It reflects a robust 18.6% like-for-like growth in Latin America and a 13.1% like-for-like decline in Europe, reflecting interest rate trends in the two regions.

⁸ A review of client portfolio profitability in the third quarter of 2013 resulted in the decision to scale back marketing services businesses in Germany, which will have an impact until third-quarter 2014.

⁹ Ratio of operating revenue with issue volume to total issue volume.

CURRENCY EFFECTS

The first quarter of 2014 saw a significant depreciation for the Venezuelan bolivar fuerte and the Brazilian real.

- **Venezuelan bolivar fuerte**

The Venezuelan government recently introduced a new flexible exchange rate system, called Sicad 2. Since March 24, 2014, the daily Sicad 2 exchange rates published by the Venezuelan Central Bank have fluctuated between VEF 49.1 and VEF 51.9 to the dollar.

In the first quarter of 2014, the Group chose to apply a dollar exchange rate of VEF 50.0. Application of this rate to the 2014 consolidated accounts reduces revenue by an estimated €43 million, EBIT by an estimated €25 million and net profit, Group share by an estimated €10 million.

After taking these impacts into account, Venezuela contributes approximately 1.5% of net profit, Group share.

- **Brazilian real**

The Brazilian real lost approximately 19%¹⁰ in the first quarter of 2014 compared with the same period of 2013.

Based on the closing exchange rate on March 31, 2014¹¹, the real would be down 16% in the second quarter of 2014, 3% in the third quarter and 1% in the fourth¹², reflecting a better basis of comparison in the second half of the year.

CONCLUSION

In the first quarter of 2014, **issue volume** rose by a strong **13.7% like-for-like**, reflecting solid growth in Latin America and improved performance in Europe.

Total revenue rose **7.1% like-for-like**, with good growth in operating revenue with issue volume growth (up 11.0%) and stabilizing financial revenue (up 1.0%).

Edenred confirms its medium-term target¹³ of 8% to 14% issue volume growth per year.

¹⁰ Average exchange rate of BRL 3.24/€ in the first quarter of 2014 versus an average rate of BRL 2.64/€ in the first quarter of 2013

¹¹ Closing rate of BRL 3.13/€ at March 31, 2014.

¹² Changes calculated on the average rates for 2013 were BRL 2.70/€ in the second quarter, BRL 3.03/€ in the third and BRL 3.10/€ in the fourth.

¹³ The normalized growth target for the period 2010-2016 is between 8% and 14% for issue volume. Normalized growth is the objective that the Group considers to be attainable in a context in which unemployment does not rise.

QUARTERLY INFORMATION

Significant transactions and events of the period

Following the publication of a decree enabling paperless meal vouchers in France, on March 7, 2014, Edenred announced the **launch of the Ticket Restaurant® card**. Issued in the beneficiary's name and reloaded by the company each month, the three-year, prepaid card is accepted in the usual payment terminals installed with Ticket Restaurant®-affiliated restaurants and merchants. This innovative solution was made available for all companies as soon as the decree came into effect on April 2.

UPCOMING EVENTS

May 13: Annual Shareholders' Meeting

July 24: First-half revenue and results

October 15: Third-quarter revenue.

Edenred, which invented the Ticket Restaurant® meal voucher and is the world leader in prepaid corporate services, designs and delivers solutions that improve the efficiency of organizations and enhance the purchasing power of individuals.

Edenred solutions ensure that funds allocated by companies are used as intended. These solutions help to manage:

- **Employee benefits** (Ticket Restaurant®, Ticket Alimentación®, Ticket CESU, Childcare Vouchers®, etc.)
- **Expense management processes** (Ticket Car, Ticket Clean Way, Repom, etc.)
- **Incentive and rewards programs** (Ticket Compliments, Ticket Kadéos, etc.)

*The Group also supports public institutions in managing their **social programs**.*

Listed on the NYSE Euronext Paris stock exchange, Edenred operates in 40 countries, with more than 6,000 employees, nearly 640,000 companies and public sector clients, 1.4 million affiliated merchants and 40 million beneficiaries. In 2013, total issue volume amounted to €17.1 billion, of which almost 60% was generated in emerging markets.

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CONTACTS

Media relations

Anne-Sophie Sibout, Vice President, Media Relations and Internal Communication Director – Phone: : +33 (0)1 74 31 86 11 - anne-sophie.sibout@edenred.com

Domitille Pinta, Media Relations Manager - Phone: : +33 (0)1 74 31 86 27 – domitille.pinta@edenred.com

Astrid Montfort, Press Officer - Phone: + 33 (0)1 74 31 87 42 – astrid.montfort@edenred.com

Investor relations

Virginie Monier, Financial Communication Director - Phone: : + 33 (0)1 74 31 86 16 - virginie.monier@edenred.com

Aurélien Bozza, Investor Relations - Phone: : + 33 (0)1 74 31 84 16 – aurelie.bozza@edenred.com

Appendices

Issue Volume

In € millions	Q1	
	2013	2014
France	665	713
Rest of Europe	1,124	1,302
Latin America*	2,025	1,902
Rest of the world	159	145
Issue Volume*	3,973	4,062

In %	Q1	
	Change reported	Change L/L**
France	7.2%	7.2%
Rest of Europe	15.9%	11.3%
Latin America*	-6.1%	17.0%
Rest of the world	-9.1%	14.9%
Issue Volume*	2.2%	13.7%

*2013 pro forma figures: application of the VEF 11.3/\$ rate from January 1, 2013 versus figures reported in 2013 with a rate of VEF 6.3/\$ over the first three quarters of 2013. The full annual impact of the change in VEF/\$ rate (from 6.3 to 11.3) was recognized in the fourth quarter. In Q1 2013, total reported issue volume was €4,151 millions.

** At constant scope of consolidation and exchange rates.

Operating revenue with issue volume

In € millions	Q1	
	2013	2014
France	29	30
Rest of Europe	61	66
Latin America*	101	91
Rest of the world	7	7
Operating revenue with IV*	198	194

In %	Q1	
	Change reported	Change L/L**
France	3.5%	3.5%
Rest of Europe	9.2%	6.2%
Latin America*	-10.0%	15.7%
Rest of the world	0.9%	15.9%
Operating revenue with IV*	-1.8%	11.0%

*2013 pro forma figures: application of the VEF 11.3/\$ rate from January 1, 2013 versus figures reported in 2013 with a rate of VEF 6.3/\$ over the first three quarters of 2013. The full annual impact of the change in VEF/\$ rate (from 6.3 to 11.3) was recognized in the fourth quarter. In Q1 2013, total operating revenue with issue volume was €207 millions.

** At constant scope of consolidation and exchange rates.

Operating revenue without issue volume

In € millions	Q1	
	2013	2014
France	5	5
Rest of Europe	13	11
Latin America*	7	5
Rest of the world	6	5
Operating revenue without IV*	31	26

In %	Q1	
	Change reported	Change L/L**
France	-2.6%	-2.6%
Rest of Europe	-22.0%	-22.4%
Latin America*	-26.1%	-14.1%
Rest of the world	-13.7%	-3.9%
Operating revenue without IV*	-18.2%	-13.9%

*2013 pro forma figures: application of the VEF 11.3/\$ rate from January 1, 2013 versus figures reported in 2013 with a rate of VEF 6.3/\$ over the first three quarters of 2013. The full annual impact of the change in VEF/\$ rate (from 6.3 to 11.3) was recognized in the fourth quarter. In Q1 2013, total operating revenue without issue volume was €32 millions.

** At constant scope of consolidation and exchange rates.

Financial Revenue

In € millions	Q1	
	2013	2014
France	5	5
Rest of Europe	6	4
Latin America*	8	8
Rest of the world	1	1
Financial revenue*	20	18

In %	Q1	
	Change reported	Change L/L**
France	-13.4%	-9.6%
Rest of Europe	-15.4%	-16.3%
Latin America*	-5.4%	18.6%
Rest of the world	-13.4%	17.7%
Financial revenue*	-10.7%	1.0%

*2013 pro forma figures: application of the VEF 11.3/\$ rate from January 1, 2013 versus figures reported in 2013 with a rate of VEF 6.3/\$ over the first three quarters of 2013. The full annual impact of the change in VEF/\$ rate (from 6.3 to 11.3) was recognized in the fourth quarter. In Q1 2013, total financial revenue was €21 millions.

** At constant scope of consolidation and exchange rates.

Total Revenue

In € millions	Q1	
	2013	2014
France	40	40
Rest of Europe	80	81
Latin America*	117	104
Rest of the world	13	13
Total revenue*	250	238

In %	Q1	
	Change reported	Change L/L**
France	0.4%	0.9%
Rest of Europe	2.1%	-0.3%
Latin America*	-10.7%	14.1%
Rest of the world	-5.8%	8.0%
Total revenue*	-4.6%	7.1%

*2013 pro forma figures: application of the VEF 11.3/\$ rate from January 1, 2013 versus figures reported in 2013 with a rate of VEF 6.3/\$ over the first three quarters of 2013. The full annual impact of the change in VEF/\$ rate (from 6.3 to 11.3) was recognized in the fourth quarter. In Q1 2013, total reported revenue was €260 millions.

** At constant scope of consolidation and exchange rates.