

Edenred acquires a 34% stake in UTA, a key player in the European fuel card market

Edenred announced the acquisition of a 34% interest in Union Tank Eckstein (UTA), a leading issuer of fuel cards for heavy vehicle fleets in Europe. The transaction includes an option to purchase additional shares, exercisable from 2017, which will enable Edenred to increase its stake to 51%. Representing an investment of around €150 million, the acquisition gives Edenred a unique opportunity to speed up its growth in the expense management market.

Backed by more than 50 years of experience, UTA provides **expense management solutions for heavy vehicle fleets** to more than **60,000 European clients**, of which nearly 70% are based in Germany.

Present in 40 European countries, UTA offers a card that can be used in a **network of more than 34,000 affiliated service stations** and a settlement solution of **tolls**. It also offers value-added services, including: tracking and reporting of information such as expenses, fuel consumption and mileage; VAT recovery services; and on-road assistance and maintenance services for the **500,000 truck drivers** who have a UTA card.

One of UTA's flagship solutions is the **MercedesServiceCard** developed jointly with automaker Daimler, which holds a 15% interest in the fuel card company. Distributed by UTA to Mercedes-Benz customers, the co-branded card gives holders access to UTA's services and to Mercedes-Benz service centers.

In 2013, UTA generated **€3.1 billion in issue volume** and €64 million in revenue.



A strategic acquisition that creates new growth opportunities for Edenred

With around **€300 billion¹** spent each year on fuel for business travel, the European B2B fuel card market offers significant growth potential. Solutions that provide access to a multi-brand network of service stations are still underdeveloped in Europe, especially in the light vehicle segment.

The alliance between UTA and Edenred will **help drive faster sales growth of UTA's heavy vehicle fleet solutions**, particularly in Central and Eastern Europe. It will also enable the European launch of a **new solution for the light vehicle segment**, which will gradually be rolled out by Edenred to its 300,000 clients in Europe.

¹ Around €220 billion in the light vehicle segment and €80 billion in the heavy vehicle segment.

The acquisition of BP's 34% stake in UTA for **around €150 million**² is accompanied by an **option to purchase an additional 17% interest** from UTA's two founding families³, exercisable between 2017 and 2019.

Edenred's 34% interest in UTA will be accounted for by the **equity method** from 2015. The transaction is expected to have a **1 to 2% positive impact** on net profit in 2015, and a 2 to 3% positive impact on net profit before amortization of goodwill.

"We are delighted to join forces with UTA, which has extensive expertise in the European fuel card market and a unique network of service stations and tolls," said Jacques Stern, Edenred's Chairman and Chief Executive Officer. "This transaction represents an exceptional opportunity for Edenred. It will enable us to become a global player in expense management and to make this the second pillar of our offering⁴."

"We are excited about this alliance with Edenred," commented Klaus Eckstein and Willem Baron Van Dedem, UTA's cofounding shareholders. "Its dynamic sales force and recognized expertise in prepaid corporate services will allow us to continue to enjoy sustained growth." Stefan Buchner, Head of Mercedes-Benz Trucks, added: "Combined with our truck market expertise, Edenred's sales presence throughout Europe opens up new opportunities for the partnership between UTA and MercedesServiceCard and of course also for our customers".

The transaction is subject to approval by European competition authorities.

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 Euronext Paris stock exchange, Edenred operates in 42 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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² Acquisition done on the basis of a Price Earning Ratio of around 14 x UTA net result which includes share of income from MercedesServiceCard and dividends from its 17% stake in AGES (payment service provider for German tolls).

³ The Eckstein and Van Dedem families.

⁴ Objective communicated at Investor Day 2013: Expense management to represent more than 20% of global issue volume by 2016.