

Faster growth in issue volume, up 13.7% in the third quarter

Operating revenue up 9.5% in the third quarter

Full-year EBIT target raised to €310/330 million

- **Faster growth in the third quarter**
 - Issue volume up 13.7% like-for-like vs. 7.8% in the first half
 - Operating revenue up 9.5% like-for-like vs. 4.2% in the first half

- **A business environment made of:**
 - A strong momentum in Latin America
 - First signs of jobless rates stabilizing in Western Europe, but a persistently challenging environment in Eastern Europe

- **Full-year EBIT target raised from €300/330 million to €310/330 million**
 - Despite the expected negative currency effect from translation of South American currencies

<i>(in € millions)</i>	2009 (9 months)	2010 (9 months)	% change (reported)	% change (like-for-like)
Issue volume	9,119	9,843	+7.9%	+9.7%
Operating revenue	582	629	+8.1%	+5.9%
Financial revenue	74	58	-22.3%	-21.1%
Total revenue	656	687	+4.6%	+2.8%

ISSUE VOLUME FOR THE FIRST NINE MONTHS UP 9.7% LIKE-FOR-LIKE

Issue volume for the first nine months of 2010 amounted to €9,843 million, **up 9.7% like-for-like**. The reported increase was 7.9%, reflecting a 2.4% negative currency effect for the period.

The pace of growth accelerated in the third quarter to 13.7% like-for-like, translating robust economic environment in Latin America as well as business performance, benefiting also from a low basis of comparison. During that period, there were signs of unemployment rates stabilizing in Western Europe.

Growth in issue volume by region was as follows:

<i>Like-for-like growth in issue volume</i>	Q1 2010	Q2 2010	Q3 2010	First 9 months
France	+4.7%	-7.9%	+3.2%	-0.4%
Rest of Europe	+4.9%	+5.6%	+6.1%	+5.5%
Latin America	+10.6%	+17.9%	+22.8%	+17.3%
Rest of the world	+5.4%	+18.5%	+19.4%	+14.3%
TOTAL	+7.2%	+8.4%	+13.7%	+9.7%

In **France**, **third quarter issue volume was up 3.2%** like-for-like, matching the second quarter growth rate excluding CESU Social human service vouchers¹.

In the **Rest of Europe**, issue volume rose 6.1% like-for-like in the third quarter, reflecting the first signs of jobless rates stabilizing in Western Europe and despite the persistently challenging economic environment in Eastern Europe.

Strong momentum in Brazil and Venezuela lifted third quarter issue volume in **Latin America** by **22.8%** like-for-like, confirming the favorable trend observed since the start of the year.

OPERATING REVENUE FOR THE FIRST NINE MONTHS UP 5.9% LIKE-FOR-LIKE

Operating revenue for the first nine months of 2010 totaled €629 million, representing an increase of 5.9% like-for-like. The reported increase was 8.1%, after taking into account:

- The 2.9% positive impact of changes in scope of consolidation.
- The 0.7% negative currency effect, reflecting:
 - The 8.0% negative effect of applying the new official exchange rate for the Venezuelan bolivar against the dollar (from VEF 4.3 to VEF 5.3).
 - The 5.2% positive effect of the Brazilian real's appreciation over the period.

¹ A one-off initiative by the French government to support people who were the hardest hit by the recession, representing an issue volume of €71 million in June 2009.

Third quarter reported operating revenue rose by a strong 9.0% against 7.7% in the first half, due to:

- The 9.5% increase in operating revenue like-for-like (vs. 4.2% in the first half).
- The 3.3% negative currency effect (vs. a 0.5% positive impact in first half), mainly due to the recognition during the quarter of the full effect of applying the new official exchange rate for the Venezuelan bolivar since the beginning of the year.

<i>Like-for-like growth in operating revenue</i>	Q1 2010	Q2 2010	Q3 2010	First 9 months
France	+4.2%	+1.9%	+8.6%	+4.7%
Rest of Europe	+0.3%	-1.4%	+3.6%	+0.7%
Latin America	+9.1%	+11.7%	+16.6%	+12.6%
Rest of the world	-6.8%	-0.6%	-3.3%	-3.6%
TOTAL	+3.8%	+4.5%	+9.5%	+5.9%

- **Operating revenue for the first nine months in France: €101 million**

In **France**, operating revenue increased by 4.7% like-for-like in the first nine months of the year and by 8.6% in the third quarter.

The Ticket Restaurant® business maintained the momentum observed since the start of the year, with operating revenue rising 11.7% like-for-like in the third quarter, while the more cyclical Incentive & Rewards business experienced a 2.6% like-for-like decline in issue volume for the period, in a highly competitive environment.

- **Operating revenue for the first nine months in the Rest of Europe: €222 million**

In the **Rest of Europe**, operating revenue increased by 0.7% like-for-like in the first nine months, led by a strong 3.6% gain in the third quarter that represented a step change from the increase of just 0.3% in the first quarter and the 1.4% decline in the second.

Italy and Romania remained the two countries most affected by the recession, reporting like-for-like decreases in third quarter operating revenue of 2.3% and 33.7% respectively. Although there were signs in Italy that the jobless rate was starting to stabilize, stiff local competition in both countries put pressure on commission rates.

In **Belgium**, operating revenue for the first nine months rose 21.3% like-for-like (with increases of 19.3% in the first quarter, 22.3% in the second and 22.5% in the third), led by good performances by the Ticket Restaurant® business and EcoCheque®.

In the **United Kingdom**, the Childcare Vouchers business benefited from sustained demand, while the Incentives & Rewards business continued to operate in a challenging environment. In all, operating revenue in the United Kingdom rose by 3.7% like-for-like in the first nine months of the year and also in the third quarter.

- **Operating revenue for the first nine months in Latin America: €258 million**

In **Latin America**, operating revenue rose 12.6% like-for-like over the first nine months. The pace of growth accelerated to 16.6% like-for-like in the third quarter, from 11.7% in the second and 9.1% in the first, reflecting a combination of a robust local economic environment, a strong marketing performance and a low basis of comparison in third-quarter 2009.

In **Brazil**, the good marketing performance by Edenred's teams in a very buoyant macro-economic environment drove up the pace of growth in the third quarter, for both Employee & Public Benefits and Performance Products. Meal & Food Vouchers and Ticket Car[®] operating revenue rose by respectively 14.5% and 15.3% like-for-like in the third quarter, versus 8.5% and 8.4% in the second quarter. In all, operating revenue was 12.9% higher like-for-like in the third quarter, compared with gains of 7.6% in the first quarter and 8.6% in the second.

Similarly, in **Hispanic Latin America**, growth in operating revenue accelerated to 21.7% like-for-like in the third quarter, from 10.8% in the first quarter and 15.5% in the second. In Venezuela, sustained demand was accompanied by an 18% increase in the average face value of vouchers in the third quarter.

FINANCIAL REVENUE FOR THE FIRST NINE MONTHS DOWN 21.1%

Financial revenue, which was impacted by lower interest rates, fell 21.1% like-for-like in the first nine months of 2010. The rate of decline slowed over the period, however, standing at 11.6% in the third quarter versus 20.4% in the second and 29.5% in the first.

In **Latin America**, financial revenue contracted by 20.6% over the nine months. The downtrend reversed in the third quarter, with financial revenue rising 2.5% like-for-like after falling 38.7% in the first quarter and 16.4% in the second, thanks mainly to higher interest rates and the increased float² in Brazil in the third quarter.

There were no major changes in financial revenue in **Europe** during the period. In France and in the Rest of Europe, financial revenue fell by 17.9% and 19.1% respectively during the third quarter, on the back of declines of 27.9% and 20.3% in the first quarter and 28.3% and 19.0% in the second.

TOTAL REVENUE FOR THE FIRST NINE MONTHS UP 2.8% LIKE-FOR-LIKE

<i>Like-for-like growth</i>	Q1 2010	Q2 2010	Q3 2010	First 9 months
Operating revenue	+3.8%	+4.5%	+9.5%	+5.9%
Financial revenue	-29.5%	-20.4%	-11.6%	-21.1%
Total revenue	-0.4%	+1.8%	+7.3%	+2.8%

Total revenue for the first nine months of 2010 came to €687 million, up **2.8% like-for-like** and 4.6% as reported. Reported growth reflected the positive 2.5% impact of changes in scope of consolidation and a 0.8% negative currency effect, corresponding to the 5.0% positive effect of the Brazilian real's appreciation and the 7.7% negative impact of the change in the official exchange rate for the Venezuelan bolivar against the dollar (from VEF 4.3 to VEF 5.3).

² *Negative Working Capital*

CONCLUSION

The faster growth in issue volume in the third quarter, at 13.7% like-for-like versus 7.8% in the first half, reflected the good overall momentum enjoyed by the business.

The 9.5% like-for-like increase in operating revenue in the third quarter was led by vibrant demand in Latin America, where the number of people in work increased during the period, particularly in Brazil. The quarter also saw the first signs of jobless rates stabilizing in Western Europe, although the environment remained challenging in Eastern Europe.

The decline in financial revenue slowed to 11.6% like-for-like in the third quarter from 25.3% in the first half, helped mainly by higher interest rates and the increased float in Brazil. On this basis, the Group now expects financial revenue to decline by around 10% like-for-like in the second half, compared with the previous forecast of a 10% to 20% fall.

For the full year, based on the trends observed over the first nine months and:

- The target of a flow-through ratio³ of 40% to 50% like-for-like in 2010,
- The estimated €8 million negative impact on EBIT for the full year of applying the new official exchange rate for the Venezuelan bolivar,
- The expected weakening of the South American currencies in the fourth quarter (with a USD 0.1 decline translating into a €3m negative impact on Q4 EBIT),

the Group's EBIT target is raised from €300/330 million to €310/330 million.



³ Flow-through ratio: ratio between the like-for-like change in operating EBIT and the like-for-like change in operating revenue.

Quarterly Report

FINANCIAL POSITION AND RESULTS

In September, Edenred issued €800 million worth of 7-year 3.625% bonds due October 6, 2017. The bonds were placed with some 90 European institutional investors.

The proceeds were used to refinance the €600 million one-year bridge to bonds facility set up in June 2010. The new issue has strengthened the Group's liquidity position, diversified its financing sources and extended the average life of its debt.

Edenred confirms its objective of maintained a strong investment grade credit rating.

INVESTOR CALENDAR

Fourth quarter revenue announcement on January 18, 2011

Edenred, the world leader in prepaid service vouchers, provides solutions that enhance personal well-being and improve the performance of organizations. Operating in 40 countries, with 6,000 employees, nearly 500,000 private and public sector customers, 33 million users and 1.2 million affiliates, Edenred offers a wide range of products in two categories:

- **Employee and public benefits** related to meals and food (Ticket Restaurant, Ticket Alimentation) or quality of life (Ticket CESU, Childcare Vouchers, etc.)
- **Performance products** in the areas of expense management (Ticket Car), incentive and reward (Ticket Compliments, Ticket Kadeos) and new prepaid electronic solutions.

In 2009, Edenred generated total issue volume of €12.4 billion, of which more than 50% in emerging markets.

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APPENDICES

Issue Volume

In €millions	Q1		Q2		H1		Q3		September end (YTD)	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
France	612	641	659	607	1,271	1,248	502	518	1,773	1,766
Rest of Europe	1,044	1,135	1,084	1,183	2,128	2,318	1,016	1,107	3,145	3,425
Latin America & Caribbean	1,246	1,301	1,327	1,536	2,573	2,837	1,363	1,488	3,935	4,325
Rest of the world	91	97	89	115	180	212	86	114	266	327
TOTAL ISSUE VOLUME	2,993	3,174	3,159	3,441	6,152	6,615	2,967	3,227	9,119	9,843

In %	Q1		Q2		H1		Q3		September end (YTD)	
	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*
France	4.7%	4.7%	-7.9%	-7.9%	-1.8%	-1.8%	3.2%	3.2%	-0.4%	-0.4%
Rest of Europe	8.7%	4.9%	9.1%	5.6%	8.9%	5.3%	8.9%	6.1%	8.9%	5.5%
Latin America & Caribbean	4.4%	10.6%	15.8%	17.9%	10.3%	14.4%	9.2%	22.8%	9.9%	17.3%
Rest of the world	7.1%	5.4%	29.2%	18.5%	18.1%	11.9%	32.3%	19.4%	22.7%	14.3%
TOTAL ISSUE VOLUME	6.1%	7.2%	8.9%	8.4%	7.5%	7.8%	8.8%	13.7%	7.9%	9.7%

* At constant scope of consolidation and exchange rates

Operating Revenue

In €millions	Q1		Q2		H1		Q3		September end (YTD)	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
France	35	36	34	33	69	69	30	32	100	101
Rest of Europe	69	79	69	73	138	152	63	70	201	222
Latin America & Caribbean	74	78	81	91	155	169	82	89	237	258
Rest of the world	15	15	15	17	30	32	15	16	44	48
OPERATING REVENUE	193	208	199	214	392	422	190	207	582	629

In %	Q1		Q2		H1		Q3		September end (YTD)	
	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*
France	0.9%	4.2%	-2.9%	1.9%	-1.0%	3.0%	6.1%	8.6%	1.2%	4.7%
Rest of Europe	15.0%	0.3%	5.5%	-1.4%	10.3%	-0.5%	11.0%	3.6%	10.5%	0.7%
Latin America & Caribbean	5.7%	9.1%	13.0%	11.7%	9.5%	10.4%	8.1%	16.6%	9.0%	12.6%
Rest of the world	-0.5%	-6.8%	13.1%	-0.6%	6.3%	-3.7%	11.1%	-3.3%	7.9%	-3.6%
OPERATING REVENUE	7.7%	3.8%	7.6%	4.5%	7.7%	4.2%	9.0%	9.5%	8.1%	5.9%

* At constant scope of consolidation and exchange rates

Financial Revenue

In € millions	Q1		Q2		H1		Q3		September end (YTD)	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
France	7	5	6	5	13	10	5	4	19	14
Rest of Europe	9	8	10	8	19	16	9	8	28	23
Latin America & Caribbean	11	6	8	6	19	12	7	6	25	19
Rest of the world	1	-	-	1	1	1	1	1	2	2
Financial Revenue	28	19	24	20	52	39	22	19	74	58

In %	Q1		Q2		H1		Q3		September end (YTD)	
	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*
France	-27.9%	-27.9%	-28.3%	-28.3%	-28.1%	-28.1%	-17.9%	-17.9%	-25.1%	-25.1%
Rest of Europe	-17.1%	-20.3%	-16.5%	-19.1%	-16.8%	-19.6%	-17.4%	-19.1%	-17.0%	-19.5%
Latin America & Caribbean	-45.2%	-38.7%	-17.2%	-16.4%	-33.3%	-29.3%	-11.4%	2.5%	-27.3%	-20.6%
Rest of the world	-29.5%	-30.1%	-2.7%	-11.5%	-17.3%	-21.6%	6.0%	-4.7%	-9.8%	-16.2%
Financial Revenue	-31.0%	-29.5%	-19.4%	-20.4%	-25.6%	-25.3%	-14.9%	-11.6%	-22.3%	-21.1%

* At constant scope of consolidation and exchange rates

Total Revenue

In €millions	Q1		Q2		H1		Q3		September end (YTD)	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
France	42	41	40	38	82	79	35	36	118	115
Rest of Europe	78	87	79	81	157	168	72	77	229	245
Latin America & Caribbean	85	84	89	97	174	181	90	96	262	277
Rest of the world	16	15	15	18	31	33	15	17	47	50
Total Revenue	221	227	223	234	444	461	212	226	656	687

In %	Q1		Q2		H1		Q3		September end (YTD)	
	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*	Change reported	Change L/L*
France	-3.7%	-1.0%	-6.8%	-2.8%	-5.3%	-1.9%	2.4%	4.5%	-3.0%	0.0%
Rest of Europe	11.2%	-2.1%	2.8%	-3.5%	7.0%	-2.8%	7.4%	0.7%	7.1%	-1.7%
Latin America & Caribbean	-0.7%	3.0%	10.3%	9.2%	4.9%	6.2%	6.6%	15.5%	5.5%	9.4%
Rest of the world	-2.1%	-8.1%	12.4%	-1.1%	5.1%	-4.6%	10.8%	-3.3%	7.0%	-4.2%
Total Revenue	2.9%	-0.4%	4.7%	1.8%	3.8%	0.7%	6.5%	7.3%	4.6%	2.8%

* At constant scope of consolidation and exchange rates