

Shareholders' Newsletter

| March 2019

Dear fellow Edenred shareholder,

On February 22, I had the pleasure of presenting our results for 2018, another record year for Edenred thanks to the stellar execution of the Fast Forward strategic plan launched in 2016. We delivered double-digit organic growth in each of our business lines and in all the regions where we operate. This performance was only made possible by the commitment of our 8,500 employees to making Edenred the everyday companion for the working world. It also reflects the strength of our network, which connects 830,000 corporate clients, 47 million employee users and 1.7 million partner merchants across 45 countries.

Edenred's capacity to generate profitable and sustainable growth is attributable above all to our business excellence, geared toward systematically optimizing each performance lever. In all of our markets, which are still relatively untapped, our sales teams are working to win over and retain clients, including an increasing number of small and medium-sized enterprises, a segment that offers great opportunities.

"2018, another record year driven by double-digit organic growth in each of our business lines and in all the regions where we operate"

At the same time, having made innovation a major focus of our growth strategy, we now boast leading digital positions in our three business lines. With 80% of business volume digitized thanks to our global technology platform, the way is now clear for endless innovations, including in mobile payment and in app-to-app payment, which is already available in 12 countries. We are expanding our business model through the creation of additional services to improve our existing solutions. Edenred fuel cards, for example, now come with vehicle maintenance services, interoperable toll tags and simple solutions for claiming back VAT.

We are increasing the pace of our growth through targeted acquisitions and partnerships. In this letter (see pages 4 and 5), we take a detailed look at the deals we made in 2018, a particularly eventful year in all of the Group's business lines.

Ideally positioned, we are tackling 2019 with confidence. Once again this year, we expect to reach our annual targets, which are set out on the next page.

Thank you for your confidence and loyalty.



Bertrand Dumazy,
Chairman and Chief
Executive Officer

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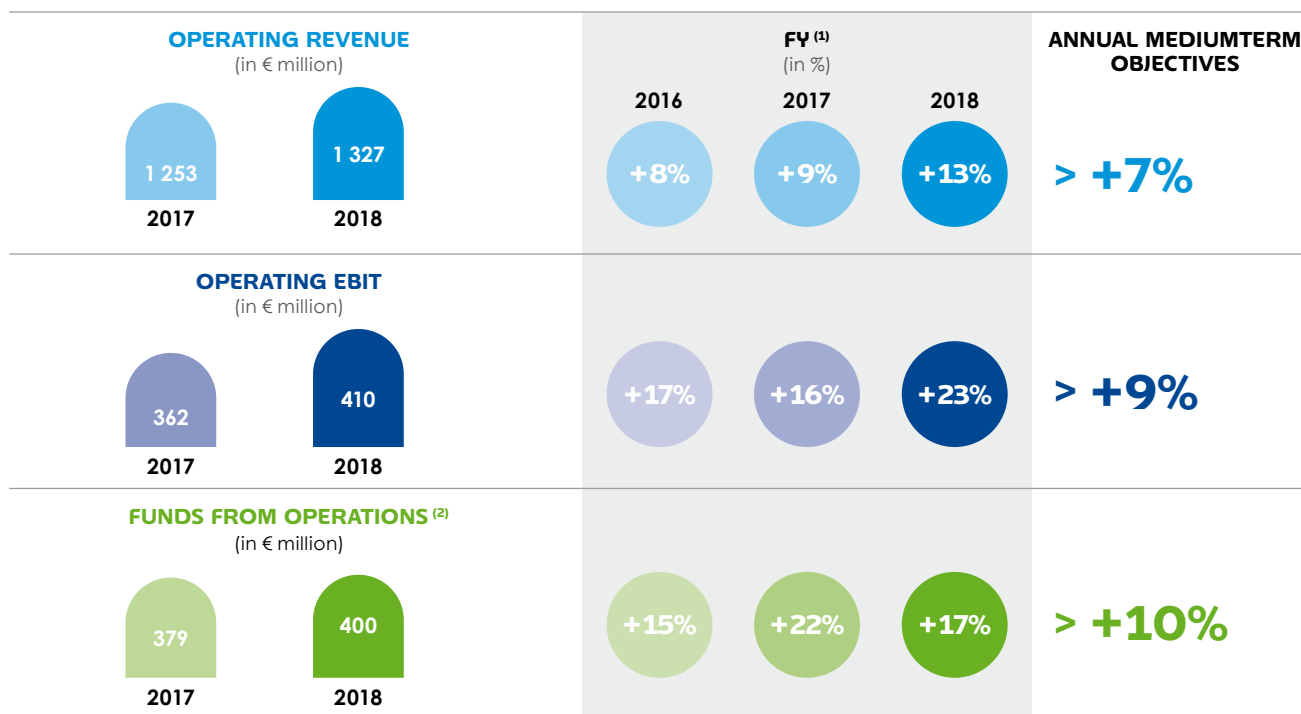
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2018 annual results

Accelerated growth



(1) Like-for-like growth, i.e., at constant scope of consolidation and exchange rates. Figures excluding Venezuela

(2) Before other income and expenses



Two questions for Patrick Bataillard, Executive Vice President, Finance

Edenred has posted record results for the second consecutive year. Can you tell us more?

Patrick Bataillard : "Our performance in 2018 was driven by **double-digit organic growth in our three key annual indicators, presented above**. The 13% increase in **operating revenue** reflects double-digit organic growth in all of our business lines. In Employee Benefits, our traditional business line, which accounts for 65% of the total, operating revenue rose by 12%. In Fleet & Mobility Solutions, which represents one-quarter of the total, operating revenue increased by almost 17%. Edenred is clearly reaping the benefits of the successful integration of the companies acquired over the past three years. Lastly, Complementary Solutions posted organic growth of nearly 15%. This performance notably reflects the ramp-up of Corporate Payment Services, an innovative offering launched almost two years ago.

Double-digit organic growth was also recorded in **all of the regions** where Edenred operates. In Europe, which represented 57% of the consolidated total in 2018,

operating revenue rose by nearly 15%. Latin America accounted for more than one-third of consolidated operating revenue and recorded an increase of 12%. The region's performance notably included a 10% gain in Brazil, reflecting the steady recovery in Employee Benefits observed throughout the year. Lastly, the Rest of the World segment posted growth of nearly 12%."

A certain number of acquisitions were announced during the year, in all business lines, the most significant being the acquisition of CSI in the United States. Could you explain Edenred's capital allocation policy?

PB : "Our goal is to maximize the value we create for all of our stakeholders, including our shareholders, through the balanced deployment of capital. On the one hand, we're investing in targeted acquisitions that are coherent with our business lines and our geographic footprint. On the other hand, we are pursuing our policy of paying out regular, non-negligible dividends, as described in detail on page 3."

Find all of our financial publications in the Investors/Shareholders section of www.edenred.com or by clicking [here](#)

7 reasons to invest in Edenred

Selected excerpts

What makes Edenred appealing to investors?

1 Position as a global leader in relatively untapped markets with excellent development prospects

Thanks to its agile, innovative approach, technological expertise and close contact with each local ecosystem, Edenred seizes opportunities for development in all countries and all of its business lines.

2 A strategy of profitable and sustainable growth

The Fast Forward strategy launched in 2016 has proven highly effective, with the Group substantially outperforming year after year its annual organic growth targets set for three key indicators:

- > Like-for-like operating revenue growth of more than 7%
- > Like-for-like operating EBIT growth of more than 9%
- > Like-for-like growth in funds from operations (FFO) of more than 10%.

3 A business model generating strong cash flows

What makes Edenred's model unique beyond the significant operating leverage it affords is that the majority of the solutions developed by the Group are prepaid, which leads to a structurally negative working capital requirement.

4 Considerable technological expertise and strong innovation capacity in payments

A digital leader in its industry always striving to improve client, merchant and user experience, Edenred has developed a global technology platform for payments. In 2018, the Group managed more than 2 billion transactions and €28 billion in business volume, mainly carried out by mobile app, online platform or card.

5 A generous shareholder value policy based on a solid financial position

Edenred's ambition is to maximize value creation for all of its stakeholders, including shareholders, through a balanced deployment of capital between investments and shareholder return, in line with the Group's growth profile.

With this in mind, Edenred is committed to paying at least 80% of its net profit, Group share in dividends. A dividend of €0.86 per share in respect of 2018 will be proposed at the Shareholders Meeting of May 14, 2019. Shareholders may opt to receive the dividend 100% in cash or 100% in shares, with a 10% discount.

6 8,500 employees driving forward a Group committed to society

Edenred's ambition is to be the everyday companion for the working world. In 2018, the Group launched its new environmental, social and governance (ESG) policy, based on three pillars: People, Planet, Progress. The aim is to improve the lives of individuals, preserve the planet, and create value responsibly. Edenred's 8,500 employees are ambassadors for its ambitions in the 45 countries where the Group operates.

7 A responsible governance structure that creates value

Edenred's governance bodies, selected for the various types of expertise needed to ensure its proper development, guarantee the relevance and compliance of all decisions made by the Group and actions carried out as part of its strategy.

A big year for acquisitions

in all of our business lines (1/2)

During the year, Edenred enhanced its portfolio of innovative digital solutions for the Employee Benefits market, notably via acquisitions, thereby creating opportunities to expand the range of solutions available to its clients. These transactions are perfectly in line with the Group's strategy of consolidating its position as a world leader in Employee Benefits.

Edenred has also continued to expand in the Fleet & Mobility Solutions market by acquiring several European companies. These include a certain number of players that enable the Group to extend its services portfolio in the fuel card segment.

Employee Benefits

After increasing its stake in 2018 in **ProwebCE, the French leader in solutions for works councils**, Edenred now holds more than 99% of the company's share capital.

ProwebCE offers a comprehensive range of solutions for works councils in France, including an e-commerce platform dedicated to employees.

In a similar move, in January 2019 Edenred announced the dual acquisition of **Merits & Benefits and Ekvita. Market leaders in employee engagement platforms in Belgium**, these companies offer innovative digital solutions to improve employee retention, motivation and purchasing power.



Edenred has also acquired **Peru-based Efectibono**, an **independent issuer of meal vouchers** and other solutions, in paper and digital format. The acquisition has made Edenred the joint leader in Peru's employee benefits market.

Fleet & Mobility Solutions

In 2018, Edenred also acquired 80% of **The Right Fuelcard Company (TRFC), the number four fuel card program manager in the United Kingdom**, for an amount of £95 million, thereby establishing a presence in one of the largest markets in Europe.



The TRFC group helps 27,000 corporate clients optimize the management of their heavy and light vehicle fleets. Its 150,000 cardholders can fill up at 90% of UK service stations. The TRFC group is estimated to have generated more than £11 million in EBITDA in 2018.

Edenred subsidiary UTA – the number two pan-European player specialized in multi-brand fuel cards, toll solutions and maintenance services – signed an agreement in 2018 for the acquisition of the **Road Account client portfolio** from AirPlus. A subsidiary of the Lufthansa group, AirPlus markets **corporate toll payment solutions** under the Road Account brand.

The acquisition will enable UTA to expand its client base on the buoyant **European toll market**, which is particularly significant in Germany, and creates new outlets for additional services.

Find more in the Investors/Shareholders section of www.edenred.com or in clicking [here](#)

A big year for acquisitions

in all of our business lines (2/2)

Corporate Payment Services

Aware of the importance of more efficiently managing intercompany fund flows and eager to capitalize on its expertise in payment solutions, Edenred launched an innovative Corporate Payment Services offering just under two years ago.

Financial flows between companies represent trillions of euros each year. The new virtual card technologies and private payment networks offered by Edenred enable companies to manage transactions more effectively and more simply than with traditional means of payment (check or bank transfer), within dedicated payment ecosystems.

Edenred has already established itself as a key player in this huge, untapped and fast-growing market, by signing a high-profile contract in 2017 with the International Air Transport Association (IATA) to optimize payments between airlines and travel agencies in 115 countries. Since then, Edenred has developed new payment technologies, such as the virtual IBAN in France, which enables Foncia to collect payments for its property owner and tenant customers in a simple and secure way, while also facilitating the reconciliation process. More recently, Edenred was selected by

Jumia Travel, Africa's leading online hotel booking portal, to facilitate and secure payments to its 25,000 partner hotels. These different solutions also improve transaction security, tighten expenditure controls and save significant time for the user.

To speed up its growth in this market, Edenred announced in late 2018 that it was acquiring **Corporate Spending Innovations (CSI)**, one of the leading providers of corporate payment solutions in North America. In this region, the world's largest corporate payment market, two-thirds of B2B payment volumes are still carried out by check. CSI works with a portfolio of more than 800 corporate clients to facilitate payments to their 475,000 vendors. By acquiring this well-established, profitable and fast-growing fintech, Edenred is now well positioned to seize the multiple opportunities offered by the North American **corporate payment services** market, which is undergoing a digital transition.

In line with the Fast Forward strategic plan, the acquisition enables Edenred to significantly increase its presence in the North American market. CSI's goal is to generate annual revenue growth of around 20% in the coming years.

Unique corporate payment automation platform

Serving 800+ clients with a comprehensive payment offering including the most advanced virtual payment methods



Virtual card



Private Network



ACH & RTP



Purchasing card



Check



Wire



FX

Highly connected technology platform

350+ integrations with 3rd parties

for accounts payable and corporate travel



Of which, ERPs as SAP, accounting systems, Banks, Travel booking systems



CORPORATE SPENDING INNOVATIONS

900k transactions in 2018



Intelligent payment routing, a key differentiator

A wide acceptance network of 475k+ vendors

Of which



Media



Hospitality



Club



Banks

For more information, visit the Investors/Shareholders section of www.edenred.com or in clicking [here](#)

Shareholder information

From January 1, 2018 to March 15, 2019

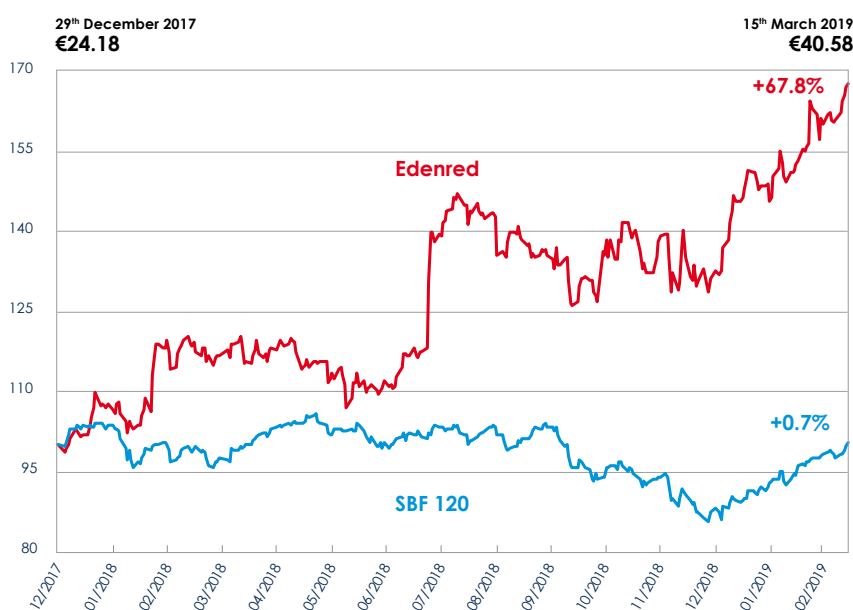
Edenred closing price on January 1, 2018: **€24.18**

Edenred closing price on March 15, 2019: **€40.58**

Change in the SBF 120 index: **+0.7%**

Change in the Edenred share price: **+67.8%**

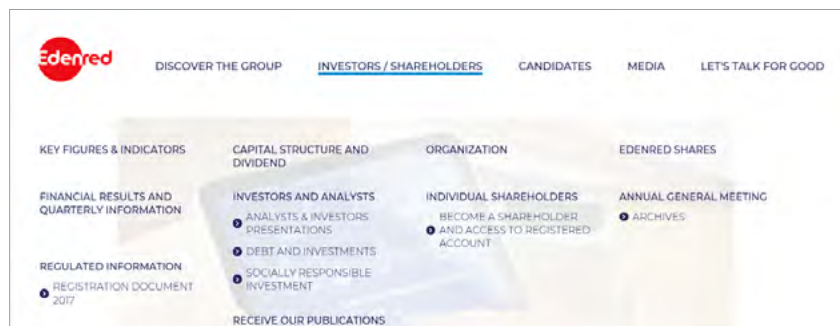
EDENRED SHARES



ANNUAL SHAREHOLDERS MEETING

The Annual Shareholders Meeting is scheduled to take place in the morning of May 14, 2019.

Information relating to the meeting is posted, as soon as it becomes available, in the Investors/Shareholders section of www.edenred.com, which can be accessed by clicking [here](#).



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Share details

Listed on:

Euronext Paris
Compartiment A

ISIN code: FR0010908533

Shares outstanding at February 28, 2019:
239,354,950

Main indices:

CAC Large 60, CAC Next 20,
SBF 120, FTSE4Good,
Dow Jones Sustainability Index

Registered shareholder services

Société Générale Securities Services

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(local rates apply when calling in France)

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Upcoming key dates

April 18, 2019:
Q1 2019 Revenue

May 14, 2019:
Annual Shareholders Meeting

July 23, 2019:
H1 2019 Results

October 18, 2019:
Q3 2019 Revenue

October 23, 2019:
Investor Day

Find all information about the Group on www.edenred.com