PRESS RELEASE

February 23, 2017

2016 ANNUAL RESULTS

Strong growth in earnings
EBIT up to a record high

- **Solid like-for-like performance**

Issue volume €19,814 million	**+10.0%**	**Operating revenue** €1,073 million	**+8.3%**
Operating EBIT €304 million	**+17.3%**	**Funds from operations**[1] €299 million	**+15.4%**

- **Operating EBIT margin up** 1.1 points to 28.3%
- **EBIT at an all-time high** of €370 million despite a €32 million negative currency effect
- **Net profit, Group share up 1.9%** to €180 million
- **Recommended dividend of €0.62 per share**, representing a **payout ratio of 80%**[2]
- **Net debt reduced** by €49 million to €588 million
- **Significant achievements paving the way for success with the Fast Forward strategic plan:**
  - A good performance in the **Employee Benefits business**, with an **8.5% rise in issue volume** (like-for-like) driven by commercial success, innovative initiatives in mobile payment solutions and new value-added services.
  - A sharp rise in **Expense Management** as a percentage of Edenred's total business, accounting for **18% of consolidated operating revenue** versus 14% in 2015. This reflects the **two-fold increase in the size of the business in Brazil** following the acquisition of Embratec assets, and **double-digit organic growth** in operating revenue (up 13% like-for-like).
  - **Ongoing shift to digital solutions**, which accounted for 70% of total issue volume in 2016 compared to 65% in 2015.

[1] Before non-recurring items.
[2] Total dividend as a percentage of net profit, Group share.

Bertrand Dumazy, Chairman and Chief Executive Officer of Edenred, said: *"In 2016, Edenred proved that it has set itself on a course of profitable and sustainable growth, with EBIT at an all-time high and cash flow generation up sharply. We delivered solid performances in Europe and a good level of growth in Latin America despite a difficult economic environment in Brazil. In the Employee Benefits business line, we continued to enhance our offering and to develop innovative new digital and mobility solutions. On the corporate vehicle fleet management market, we became market leader in Latin America following our acquisition of Embratec in Brazil. We also recently increased our stake in UTA to 51%, becoming the number two issuer of multi-brand Europe-wide solutions."*

"We are confident as we move into 2017 and will pursue our Fast Forward strategic plan with the aim of developing new sources of growth, especially in corporate payment solutions. Value creation is at the heart of our strategy as we focus on growth in operating revenue and operating EBIT. We intend to continue generating strong levels of cash flow so that we can return a high dividend to our shareholders while retaining enough financial flexibility to leverage external growth opportunities and maintain our 'Strong Investment Grade' credit rating".

2016 ANNUAL RESULTS

The consolidated financial statements for 2016[3] were approved by the Board of Directors on February 22, 2017.

2016 key financial metrics

(in € millions)	2016	2015	% change Reported	% change Like-for-like[4]
Issue volume	**19,814**	**18,273**	**+8.4%**	**+10.0%**
Operating revenue	1,073	1,000	+7.3%	+8.3%
Financial revenue	66	69	-4.2%	+0.2%
Total revenue	**1,139**	**1,069**	**+6.5%**	**+7.8%**
Operating EBIT	304	272	+11.6%	+17.3%
Financial EBIT	66	69	-4.2%	-0.2%
Total EBIT	**370**	**341**	**+8.4%**	**+13.8%**
Net profit, Group share	180	177	+1.9%	
Earnings per share, Group share[5] (in €)	0.78	0.78	+0.8%	

[3] The audit has been completed and the auditors will issue their opinion before the Registration Document is filed.
[4] At constant scope of consolidation and exchange rates (corresponding to organic growth).
[5] Shares outstanding: 230,113 thousands of shares in 2016 versus 227,773 thousands of shares in 2015.

Issue volume up 10.0% like-for-like at €19.8 billion

In line with the Group's historic medium-term target of 8%-14% annual organic growth, issue volume for the year was up **10.0%** like-for-like to **€19,814 million**, driven in particular by 12.7% like-for-like growth in the fourth quarter. Reported growth stood at 8.4% for the year, after taking into account:

- The 5.8% positive impact from changes in the scope of consolidation relating to the acquisition of Embratec assets in Brazil, which were transferred to a joint venture 65%-owned by Edenred and fully consolidated over an eight-month period, and that of La Compagnie des Cartes Carburants (LCCC) in France, which is 69.2% owned and was fully consolidated over the 12-month period.

- The negative 7.4% currency effect, primarily due to the depreciation of the Brazilian real (down 4.3%), Mexican peso (down 14.8%) and Venezuelan bolivar fuerte (down 63.6%) against the euro.

- ### Issue volume by type of solution

	Employee Benefits	Expense Management	Incentive & Rewards	Public Social Programs	TOTAL
Issue volume *(in € millions)*	14,731	3,842	824	416	**19,814**
% of total IV[6]	75%	19%	4%	2%	**100%**
Like-for-like growth	+8.5%	+15.1%	+15.4%	nm	**+10.0%**

The year saw 8.5% like-for-like growth in the issue volume of **Employee Benefits** associated with meals and food and quality of life, which represented 75% of 2016 issue volume. **Expense Management**, Edenred's second growth engine, delivered robust 15.1% like-for-like growth and now accounts for 19% of total issue volume versus 16% in 2015. Incentive & Rewards and Public Social Programs both posted strong growth in the year, accounting now for 4% and 2%, respectively, of total issue volume.

- ### Like-for-like issue volume growth by region

Like-for-like growth	First quarter	Second quarter	Third quarter	Fourth quarter	2016
Latin America	+7.5%	+8.7%	+14.3%	+19.4%	+12.4%
Europe	+6.9%	+9.7%	+6.4%	+6.8%	+7.4%
Rest of the World	+12.1%	+11.1%	+6.0%	+11.8%	+10.3%
TOTAL	**+7.4%**	**+9.3%**	**+10.2%**	**+12.7%**	**+10.0%**

[6] IV: issue volume.

In **Latin America**, issue volume for the year was **up 12.4%** like-for-like at **€9.7 billion**, or 49% of the Group's total issue volume.

In **Brazil**, issue volume for 2016 rose by 4.2% like-for-like despite a very weak economic environment. Issue volume for the Employee Benefits business line continued to increase slightly, up 1.2% like-for-like despite the ongoing rise in the unemployment rate[7]. Expense Management solutions continued to record strong like-for-like growth, gaining 14.0%.

In **Hispanic Latin America**, issue volume was up 23.8% like-for-like, reflecting strong growth for Expense Management solutions (up 14.9% like-for-like) and Employee Benefits (up 30.5% like-for-like, aided partly by Venezuela on account of rising inflation). Like-for-like growth in **Mexico**, Edenred's biggest market in the region, was 13.3%, with an acceleration in the second half of the year.

In **Europe**, 2016 issue volume was **€9.4 billion** (or 47% of the Group's total issue volume), up **7.4%** like-for-like.

Europe (excluding France) posted like-for-like growth of 8.9%. Issue volume rose 3.0% in Italy. In Germany, Edenred recorded growth of more than 50% for its Ticket Plus® Card solution. In the UK, childcare vouchers were up 5.9% like-for-like. Issue volume rose 9.7% like-for-like in Central Europe, driven by a good sales performance in an improved economic environment. All other European countries delivered double-digit like-for-like growth in issue volume.

France recorded solid 4.6% like-for-like growth in issue volume, reflecting a further 3.4% increase in the Ticket Restaurant® meal voucher solution. Edenred leads the digital meal voucher market in France, wirh around 300,000 users of its Ticket Restaurant® card solution. The Group also benefited from 7.1% growth in Ticket Kadéos® gift vouchers and cards during the year.

Lastly, issue volume in the **Rest of the World** was up by **10.3%** like-for-like over the year, led mainly by strong growth in **Turkey**, the region's primary contributor.

Total revenue up 7.8% like-for-like to €1,139 million

Like-for-like growth	**First quarter**	**Second quarter**	**Third quarter**	**Fourth quarter**	**2016**
Operating revenue with IV	*+5.8%*	*+7.8%*	*+9.6%*	*+10.2%*	***+8.3%***
Operating revenue without IV	*+6.6%*	*+5.2%*	*+12.2%*	*+9.3%*	***+8.2%***
Operating revenue	+5.9%	+7.3%	+9.9%	+10.0%	**+8.3%**
Financial revenue	-3.1%	+0.1%	-2.5%	+6.8%	**+0.2%**
Total revenue	**+5.2%**	**+6.9%**	**+9.1%**	**+9.9%**	**+7.8%**

Total revenue for 2016 amounted to **€1,139 million**, representing a like-for-like increase of **7.8%** on the previous year. Total revenue comprises operating revenue with issue volume (80% of total revenue), operating revenue without issue volume (14% of total revenue), and financial revenue (6% of total revenue).

[7] The unemployment rate in Brazil was around 12% at end-December 2016 compared to around 9% at end-2015 (source: Banco centrale do Brasil).

On a reported basis, the year-on-year change was a rise of **6.5%**, after taking into account the 5.3% positive impact from changes in the scope of consolidation and the 6.5% negative currency effect.

- **Operating revenue with issue volume up 8.3% like-for-like**

Operating revenue with issue volume increased by **8.3%** like-for-like to **€918 million**. This reflects an acceleration in growth in Latin America during the second half and continued strong like-for-like gains in Europe over the last three quarters.

Growth in operating revenue with issue volume by region (like-for-like)

Like-for-like growth	First quarter	Second quarter	Third quarter	Fourth quarter	2016
Latin America	+6.2%	+6.6%	+12.5%	+14.1%	+9.7%
Europe	+5.1%	+8.9%	+7.3%	+8.0%	+7.4%
Rest of the World	+7.9%	+8.6%	+2.4%	+0.4%	+4.8%
TOTAL	**+5.8%**	**+7.8%**	**+9.6%**	**+10.2%**	**+8.3%**

- **Operating revenue without issue volume up 8.2% like-for-like**

Operating revenue without issue volume was up **8.2%** like-for-like at **€155 million**, driven in particular by a good performance from ProwebCE in France.

- **Total operating revenue up 8.3% like-for-like**

Total operating revenue climbed 8.3% like-for-like, mainly reflecting a 7.6% rise in operating revenue in the Employee Benefits business line, where the take-up rate[8] remained stable in 2016 (up 2 basis points), and a 13.1% increase in operating revenue for the Expense Management business line (on a like-for-like basis).

- **Financial revenue stable like-for-like**

While growth in the float accelerated[9], rising €165 million in 2016 to €2,619 million, **financial revenue** remained virtually stable like-for-like (up 0.2%) at **€66 million**. This reflects a solid increase in **Latin America** (up 11.0% like-for-like) and in the Rest of the World (up 13.3%), offsetting the 12.8% like-for-like decline in **Europe** attributable to the fall in interest rates.

EBIT up 13.8% like-for-like to a record high of €370 million

Total EBIT rose 8.4% on a reported basis in 2016, reaching an all-time high of **€370 million**. Like-for-like, total EBIT advanced by €47 million, or **13.8%.** Changes in the scope of consolidation had a

[8] Ratio of operating revenue with issue volume to total issue volume.
[9] The float corresponds to the working capital requirement, or service vouchers in circulation less trade receivables.

positive €14 million impact, while the currency effect was a negative €32 million. Total EBIT comprises operating EBIT and financial EBIT, which corresponds to financial revenue.

2016 operating EBIT by region

(in € millions)	**2016**	**2015**	**% change**	
			Reported	**Like-for-like**
Latin America	166	169	-1.8%	+9.6%
Europe	144	118	+22.5%	+23.7%
Rest of the World	8	8	-3.7%	-3.4%
Worldwide structures	(14)	(23)	-37.9%	-13.9%
TOTAL	**304**	**272**	**+11.6%**	**+17.3%**

Operating EBIT (which excludes financial revenue) rose **17.3%** like-for-like to **€304 million**, a good performance that reflected an operating flow-through ratio[10] of **56.5%**, in line with the historic medium-term target of more than 50%.

Latin America posted like-for-like growth of **9.6%** in operating EBIT, as the operating EBIT margin remained at a high level despite the morose economic climate in Brazil, the region's biggest market. In **Europe**, operating EBIT rose by a strong **23.7%** like-for-like, driving a significant improvement in the operating EBIT margin.

The Group's operating EBIT margin gained 1.1 points to stand at 28.3%, reflecting a 2.2-point improvement in the like-for-like operating margin, offset by a 1.1-point decline resulting from a positive scope impact coupled with an unfavorable geographical mix effect. This mix effect relates to fluctuations in exchange rates in the Group's different regions, which operates with different levels of profitability. Locally however, the operating margins of the Group's subsidiaries are not affected by exchange rate fluctuations since their income and expenses are denominated in local currencies.

Net profit

Net profit, Group share rose 1.9% in 2016 to **€180 million**, up from €177 million in 2015.

Net profit includes €26 million in net non-recurring costs. These consist of fees (€9 million), primarily relating to acquisitions carried out, impairment of assets (€15 million), the cost of additional initiatives rolled out to optimize the Group's organization (€19 million), and the residual balance of other non-recurring items (€17 million income) – relating mainly to the accounting recognition of compensation due following the decision handed down on December 13, 2016 by the International Centre for Settlement of Investment Disputes (ICSID) in the dispute opposing Edenred and the Hungarian State.

[10] Ratio of the like-for-like change in operating EBIT to the like-for-like change in operating revenue.

Net profit also includes net financial expense (€58 million versus €47 million in 2015), the share of profit of associates and joint ventures (€8 million), income tax expense (€102 million) and minority interests (an expense of €12 million in 2016 versus €5 million in 2015, with the increase attributable to the creation of the Ticket Log joint venture in Brazil).

Strong cash flow generation

The Edenred business model generates significant cash flow. In 2016, funds from operations before non-recurring items **(FFO)** came in at a record **€299 million**, up **15.4%** like-for-like and in line with the Group's annual growth target of more than 10%.

The **free cash flow** generated over the year totaled **€352 million.** A total net amount of **€149 million** was allocated to the payment of dividends and the share buyback program, and **€196 million** to acquisitions.

After taking into account the above, along with the positive currency effect and non-recurring items for a total of €42 million, the Group's net debt stood at **€588 million** at December 31, 2016 (versus €637 million at end-2015). The ratio of net debt to EBITDA improved, at 1.4 versus 1.6 in 2015.

Active management of debt

During the year, Edenred began to prepare the refinancing for its €510 million bond maturing in October 2017, issuing a €250 million *Schuldschein* loan – a German form of private placement – consisting of fixed- and floating-rate coupons with an average maturity of 6.1 years, and an average financing cost of 1.2%.

In 2016, Edenred also set up two bank loans, each for BRL 250 million[11] and falling due in 2018 and 2019 respectively, and took advantage of more favorable financing conditions to extend its €700 million (undrawn) revolving credit facility for a further two years through to July 2021.

These transactions helped further strengthen the Group's debt profile. The average cost of debt was 2.5% (1.6% excluding the Brazilian loans, versus 2.0% in 2015). Excluding the bond issue maturing in October 2017, almost half of which has already been refinanced, Edenred has no major debt repayments due before 2020. The average maturity of the Group's debt is 4.4 years. These transactions also helped Edenred diversify its sources of financing and extend its investor base.

KEY ACHIEVEMENTS IN 2016 AND EARLY 2017

Further digital development

The **shift to digital** continued at a rapid pace, with digital issue volume representing 70% of the total issue volume at end-2016, up 5 points versus last year.

[11] BRL 500 million, equivalent to €146 million based on the closing EUR/BRL exchange rate of 3.43 at December 31, 2016.

In **Europe**, the transition launched in 2010 is accelerating and digital issue volume now represents **43%** of the region's total issue volume (up 7 points from 36% at end-2015). In **Latin America**, digital solutions accounted for **96%** of total issue volume at end-2016, up 2 points on end-2015. In the **Rest of the World** region, digital solutions represented **73%** of total issue volume, a 3-point increase year-on-year.

Development of digital mobile and web solutions for the Employee Benefits business line

Edenred is currently the only meal voucher issuer to offer Apple Pay[12]. Edenred has been offering this service to the 300,000 holders of its Ticket Restaurant® cards in France since July 2016 and to the 90,000 Ticket Restaurant® card holders in Spain since December 2016. Payment can be made directly with an iPhone or Apple Watch at all Ticket Restaurant®-affiliated restaurants and merchants equipped with a contactless payment terminal.

In May 2016, Edenred launched **the first mobile payment app for meal vouchers in Italy**. This Ticket Restaurant® app allows employees to pay for their lunch in restaurants and supermarkets using either contactless payment or a code sent to their smartphone. As well as being fast, personalized and user-friendly, this interactive app has a location search function developed in partnership with TripAdvisor.

In August 2016, Edenred teamed up with the Carrefour group to **launch Carrefour Ticket Xpress, an e-voucher service in Taiwan**, allowing Carrefour Taiwan to replace the 8 million+ paper gift vouchers it issues each year with a mobile payment solution. Carrefour Ticket Xpress is available on all major banks' online loyalty program channels. Consumers can use their reward points to get Carrefour Ticket Xpress delivered directly to their mobile devices and spend them by simply scanning the barcode at any of Carrefour's 87 Taiwan stores.

Edenred number 1 for Expense Management solutions in Latin America

In May 2016, Edenred finalized the combination of its Expense Management operations in Brazil with those of Embratec in a new company called Ticket Log, 65%-owned by Edenred and 35%-owned by Embratec's founding shareholders. This transaction enabled Edenred to double the size of its Expense Management business in Brazil, creating the leading supplier of fuel card and maintenance solutions for light vehicles and number two for heavy vehicles.

Ticket Log serves around 27,000 clients, representing more than one million active cards that can be used at more than 24,500 affiliated service stations and maintenance workshops, or 58% of Brazil's national network. With approximately 60 billion liters of fuel consumed in 2014 and a low penetration rate (between 15% and 20%), the Brazilian B2B fuel card segment has significant growth potential.

Edenred financed the deal mainly by contributing assets to the new entity, with an additional cash payment of BRL 810 million, financed locally. At end-December 2016, the transaction had unlocked cost and business synergies of around BRL 16 million[13] since May 1, 2016 (the date Embratec's assets were consolidated), in line with the target of BRL 60 million in annual synergies within three years.

[12] Apple Pay is compatible with the iPhone 6s, iPhone 6s Plus, iPhone 6, iPhone 6 Plus, iPhone SE and Apple Watch.
[13] Around €4.1 million at the average 2016 exchange rate of BRL 3.861 for one euro.

Launch of new Expense Management solutions

In Latin America, besides its Ticket Log joint venture with Embratec, Edenred leveraged its number one position in Mexico to deliver vigorous growth in the country, while accelerating its development in other markets such as Argentina.

In Mexico during the year, Edenred launched Ticket Car Go, a new contactless payment solution that can be used to pay for fuel costs. Based on Near Field Communication (NFC) technology, this solution is currently being tested by a company operating one of the largest vehicle fleets in Latin America. In all, 30,000 vehicles have been fitted with NFC Ticket Car Go stickers. Also in Mexico, Edenred launched Ticket Car Pro, a mobile app allowing fleet managers to consult information remotely about use of the cards or to block card use.

In Europe, Edenred stepped up its cooperation with UTA throughout the year. Ticket Fleet Pro was launched in France, a solution designed by La Compagnie des Cartes Carburant (LCCC) in partnership with UTA. Ticket Fleet Pro is especially aimed at the light vehicle fleet market. Holders of the Ticket Fleet Pro card have access to a multi-brand network of over 2,500 service stations. The card also offers a number of related services. For example, Ticket Fleet Pro can be linked up with a badge for paying toll charges or certain car park and car washing station fees, with all such expenses consolidated in a single invoice.

In June 2016, Edenred launched its Spendeo solution in Romania to manage and optimize employee business trips before, during and after traveling. Revolving around a shared web platform, user portal and a MasterCard payment card, this solution allows companies to credit, customize and monitor funding for their employees' business trips (amount, location, hotel rating, etc.). Employees also benefit from an easy and effective way of managing their expenses and claims.

In November 2016, Edenred expanded its solutions for SMEs in Spain with the launch of its Ticket Gasolina fuel card, the product of an alliance with Solred, Spain's largest network of service stations (Repsol, Campsa and Petronor). Ticket Gasolina enables companies to benefit from a discount of between 3% and 5% depending on their fuel consumption. The card also simplifes administration, since VAT is deducted directly and clients only have to settle one monthly invoice. Users of the card are offered secure payment and no longer have to pay for fuel they need for professional purposes out of their own pockets.

Lastly, through Cardtrend, a Malaysian company acquired in 2014, Edenred has an ideal platform from which to develop its software offering across South-East Asia, particularly with local and regional oil companies, and to develop multi-brand solutions.

Presentation of Fast Forward, Edenred's three-year strategic plan

In October 2016, Edenred unveiled its new Fast Forward strategic plan, designed to accelerate the Group's transformation over the next three years while laying the foundations for new sources of profitable and sustainable growth. The plan leverages the Group's unique expertise in designing and managing value-added solutions within transactional ecosystems.
These ecosystems have solid fundamentals and the Group's aim is to continue unlocking the strong growth potential they offer. Edenred will look to leverage the growth opportunities that result from increased digitalization of Employee Benefits solutions, consolidate its position among the global leaders of the Expense Management market following the acquisition of Embratec in Brazil in 2016 and of a controlling interest in UTA in 2017, and capitalize on the Group's expertise to develop value-added solutions for new ecosystems such as Corporate Payments.

The Fast Forward plan has resulted in ambitious new organic growth targets for the coming three years (see the "2017 Outlook" section at the end of this press release). Edenred's aim is to maximize value creation for its shareholders through a balanced deployment of capital between investments and shareholder return which led the Group to revise its dividend policy (see the "Dividend policy" section).

Edenred increased its stake in UTA to 51% to become a world leader in Expense Management

The Group took a further step to develop its Expense Management business line in January 2017 when it increased its stake in Union Tank Eckstein (UTA) from 34% to 51%. UTA is the number two Europe-wide player specialized in multi-brand fuel cards, toll solutions and maintenance services. Thanks to this transaction, Edenred now manages 2.6 million fuel cards and toll solutions worldwide and close to 6.3 billion liters of fuel. The Group's cards are accepted at 70,000 affiliated service stations.

Edenred intends to speed up the development of UTA solutions for heavy vehicle fleets, particularly in Central and Eastern Europe, while gradually rolling out to its own clients its offer of new solutions in the light vehicle fleet segment such as Ticket Fleet Pro launched in France.

UTA is fully consolidated as from January 1, 2017. The acquisition of an additional 17% of UTA's capital for around €83 million[14] should have an accretive impact of around 5% on 2017 net profit, Group share, before the impact of purchase accounting adjustments.[15] UTA's minority shareholders[16] have put options in Edenred's favor covering the remaining 49% of capital. Edenred will record a liability of around €200 million (gross) in its consolidated financial statements in respect of these options.

DIVIDEND POLICY

As part of its strategic plan Fast Forward, the Group asserted its commitment to favour a balanced deployment of capital between investments and shareholder return, in line with Edenred's growth profile. Drawing on its strong balance sheet, tight rein on debt and sound liquidity, Edenred wishes to leverage growth opportunities in line with its goals. This led it to revise its dividend policy which, from now on, will aim at paying out at least 80% of net profit, Group share.

In that respect, the recommended **dividend** for 2016 amounts to **€0.62 per share**, representing a payout ratio of 80% of net profit, Group share (versus 108% in 2015). Shareholders may opt to receive the entire dividend in cash or to receive half in cash and half in shares[17]. The dividend will be put to the vote at Edenred's Annual Shareholders' Meeting to be held on May 4, 2017.

Regarding investments in 2017, Edenred already exercised its call option on an additional 17% of UTA's capital, leading to a cash outflow of €83 million. It should also be noted that UTA's minority shareholders hold put options on the remaining 49% of the capital, to be recognized as a liability in Edenred's financial statements for approximately €200 million.

[14] The transaction values UTA at €385 million (enterprise value on a 100% basis), or market capitalization of around €480 million (100% basis).
[15] Around 2% after the impact of purchase accounting adjustments.
[16] The founders of UTA (the Eckstein and Van Dedem families) and Daimler hold 34% and 15% of UTA's share capital respectively.
[17] With a 10% discount.

2017 OUTLOOK

The Group expects its performance in 2017 to be in line with the medium-term targets of its three-year strategic plan Fast Forward:

- **Like-for-like growth of more than 7% in operating revenue**, driven by a mid-single-digit rise in operating revenue for the Employee Benefits business line and a double-digit increase in Expense Management operating revenue (on a like-for-like basis).
- **Like-for-like growth of more than 9% in operating EBIT**.
- **Like-for-like growth of over 10% in funds from operations before non-recurring items (FFO)**.

The Group expects continued strong growth of its business in Europe in 2017. Latin America should evolve broadly in line with 2016, with robust growth in Mexico despite emerging macroeconomic uncertainties and a continued contrasted performance in Brazil, shaped by weak growth in Employee Benefits owing to rising unemployment but strong double-digit growth in Expense Management.

In line with its strategic goals, the Group will focus on delivering growth in operating revenue and in operating EBIT while continuing to generate high levels of cash flow and maintaining its "Strong Investment Grade" rating.

UPCOMING EVENTS

April 12, 2017: First-quarter 2017 revenue

May 4, 2017: Annual Shareholders' Meeting

July 25, 2017: First-half 2017 results

October 13, 2017: Third-quarter 2017 revenue

Edenred*, which invented the Ticket Restaurant® meal voucher and is the world leader in prepaid corporate services, designs and manages solutions that improve the efficiency of organizations and purchasing power to individuals.*
By ensuring that allocated funds are used specifically as intended, these solutions enable companies to more effectively manage their:

- ***Employee benefits** (Ticket Restaurant ®, Ticket Alimentación, Ticket CESU, Childcare Vouchers, etc.)*
- ***Expense management process** (Ticket Car, Ticket Clean Way, Repom, etc.)*
- ***Incentive and reward 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 close to 8,000 employees, 750,000 companies and public sector clients, 1.4 million affiliated merchants and 43 million beneficiaries. In 2016, total issue volume amounted to almost €20 billion.

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APPENDICES

Glossary and list of references needed for a proper understanding of financial information

a) Main terms

- **Like-for-like, impact of changes in the scope of consolidation, currency effect:**

Like-for-like or organic growth corresponds to comparable growth, i.e., growth at constant exchange rates and scope of consolidation. This indicator reflects the Group's business performance.

Changes in activity (like-for-like or organic growth) represent changes in amounts between the current period and the comparative period, adjusted for currency effects and for the impact of acquisitions and/or disposals.

The impact of acquisitions is eliminated from the amount reported for the current period and changes in activity are calculated in relation to this adjusted amount for the current period. The impact of disposals is eliminated from the amount reported for the comparative period and changes in activity are calculated in relation to this adjusted amount for the comparative period. The sum of these two amounts is known as the **impact of changes in the scope of consolidation** or the scope effect.

The calculation of changes in activity is translated at the exchange rate applicable in the comparative period and divided by the adjusted amount for the comparative period.

The currency effect is the difference between the amount for the reported period translated at the exchange rate for the reported period and the amount for the reported period translated at the exchange rate applicable in the comparative period

- **Issue volume**

Issue volume corresponds to the face value of prepaid checks and paper vouchers issued during the period, plus the amount loaded on prepaid cards.
It is tracked for all vouchers and cards in circulation that are managed by Edenred.

b) Alternative Performance Measurement indicators included in the 2016 Annual Financial Report

The alternative performance measurement indicators outlined below are presented and reconciled with accounting data in the Annual Financial Report.

Indicator	Reference note in Edenred's 2016 consolidated financial statements in the Annual Financial Report
Operating revenue with issue volume	Note 4.3
Operating revenue without issue volume	Note 4.3
Operating revenue (total)	Note 4.3
Financial revenue	Note 4.3
EBIT	Note 4.5
Net debt	Note 6.5
Funds from operations (FFO)	Consolidated statement of cash flows (Note 1.4)

c) Alternative Performance Measurement indicators not included in the 2016 Annual Financial Report

Indicator	Definitions and reconciliations with Edenred's 2016 consolidated financial statements
Operating EBIT	Corresponds to EBIT adjusted for financial revenue. As per the published consolidated financial statements, operating EBIT for 2016 was €304 million, comprising: • €370 million in EBIT • minus €66 million in financial revenue
Financial EBIT	Corresponds to financial revenue. As per the published consolidated financial statements, financial EBIT for 2016 was €66 million.
Free cash flow	Corresponds to funds from operations minus cash used in recurring capital expenditure. At December 31, 2016, based on the consolidated statement of cash flows: • €410 million in net cash from operating activities • minus €58 million in cash outflows for recurring capital expenditure

d) Method used to calculate the main management ratios

Indicator	Definitions and reconciliations with Edenred's 2016 consolidated financial statements
Operating flow-through ratio	This ratio reflects the operating EBIT margin arising on changes in activity (like-for-like basis). It corresponds to: (Like-for-like growth in operating EBIT)/(Like-for-like growth in operating revenue). At December 31, 2016, the operating flow-through ratio was 56.5%, based on: • Like-for-like operating EBIT growth: €47 million • Like-for-like operating revenue growth: €83 million
Operating EBIT margin	This ratio reflects the operating EBIT margin based on reported figures. It corresponds to: (operating EBIT)/(operating revenue). At December 31, 2016, the operating EBIT margin was 28.3%, based on: • Operating EBIT: €304 million • Operating revenue: €1,073 million

Issue volume

In € millions	Q1 2016	Q1 2015	Q2 2016	Q2 2015	Q3 2016	Q3 2015	Q4 2016	Q4 2015	FY 2016	FY 2015
France	767	735	806	696	676	614	1,054	965	3,303	3,010
Rest of Europe	1,452	1,346	1,536	1,395	1,399	1,353	1,662	1,559	6,049	5,653
Latin America	1,872	2,284	2,252	2,274	2,564	2,030	2,978	2,264	9,666	8,852
Rest of the world	193	188	200	192	194	183	209	195	796	758
Total	**4,284**	**4,553**	**4,794**	**4,557**	**4,833**	**4,180**	**5,903**	**4,983**	**19,814**	**18,273**

In %	Q1 Change reported	Q1 Change L/L	Q2 Change reported	Q2 Change L/L	Q3 Change reported	Q3 Change L/L	Q4 Change reported	Q4 Change L/L	FY Change reported	FY Change L/L
France	4.4%	4.2%	15.8%	6.2%	10.0%	3.4%	9.3%	4.5%	9.7%	4.6%
Rest of Europe	7.9%	8.4%	10.1%	11.5%	3.4%	7.7%	6.6%	8.1%	7.0%	8.9%
Latin America	-18.0%	7.5%	-1.0%	8.7%	26.3%	14.3%	31.5%	19.4%	9.2%	12.4%
Rest of the world	2.7%	12.1%	4.2%	11.1%	5.8%	6.0%	7.2%	11.8%	5.0%	10.3%
Total	**-5.9%**	**7.4%**	**5.2%**	**9.3%**	**15.6%**	**10.2%**	**18.5%**	**12.7%**	**8.4%**	**10.0%**

Operating revenue with issue volume

In € millions	Q1		Q2		Q3		Q4		FY	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
France	32	31	33	30	28	26	49	45	142	132
Rest of Europe	73	68	77	71	70	66	84	78	304	283
Latin America	83	104	104	105	118	91	129	95	434	395
Rest of the world	9	10	10	9	9	10	10	9	38	38
Total	**197**	**213**	**224**	**215**	**225**	**193**	**272**	**227**	**918**	**848**

In %	Q1		Q2		Q3		Q4		FY	
	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	1.4%	1.9%	11.0%	5.6%	4.8%	2.7%	9.7%	5.7%	7.0%	4.1%
Rest of Europe	6.3%	6.6%	9.2%	10.3%	6.9%	9.2%	6.9%	9.3%	7.3%	8.9%
Latin America	-20.1%	6.2%	-0.8%	6.6%	29.4%	12.5%	36.2%	14.1%	10.0%	9.7%
Rest of the world	-2.2%	7.9%	1.6%	8.6%	2.4%	2.4%	-3.4%	0.4%	-0.5%	4.8%
Total	**-7.7%**	**5.8%**	**4.2%**	**7.8%**	**17.0%**	**9.6%**	**19.2%**	**10.2%**	**8.2%**	**8.3%**

Operating revenue without issue volume

In € millions	Q1		Q2		Q3		Q4		FY	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
France	13	6	14	20	12	11	14	13	53	50
Rest of Europe	10	11	9	8	9	9	16	17	44	45
Latin America	5	6	5	7	6	6	6	4	22	23
Rest of the world	8	8	9	9	9	8	10	9	36	34
Total	**36**	**31**	**37**	**44**	**36**	**34**	**46**	**43**	**155**	**152**

In %	Q1		Q2		Q3		Q4		FY	
	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	129.0%	4.4%	-32.0%	2.6%	14.7%	14.7%	11.9%	11.9%	7.7%	7.7%
Rest of Europe	0.7%	8.7%	1.6%	5.1%	-8.7%	0.0%	-4.2%	1.7%	-3.0%	3.5%
Latin America	-23.6%	4.4%	-20.9%	0.8%	15.0%	29.1%	3.7%	19.9%	-8.3%	12.3%
Rest of the world	3.2%	7.5%	7.7%	15.1%	9.9%	12.5%	16.6%	14.9%	9.3%	12.5%
Total	**20.0%**	**6.6%**	**-16.0%**	**5.2%**	**6.7%**	**12.2%**	**5.5%**	**9.3%**	**2.4%**	**8.2%**

Total operating revenue

In € millions	Q1		Q2		Q3		Q4		FY	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
France	45	37	47	50	40	37	63	58	195	182
Rest of Europe	83	79	86	80	79	75	100	95	348	328
Latin America	88	110	109	111	124	97	135	99	456	418
Rest of the world	17	18	19	18	18	18	20	18	74	72
Total	**233**	**244**	**261**	**259**	**261**	**227**	**318**	**270**	**1,073**	**1,000**

In %	Q1		Q2		Q3		Q4		FY	
	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	21.1%	2.2%	-6.5%	4.4%	7.5%	6.0%	10.2%	7.1%	7.2%	5.1%
Rest of Europe	5.6%	6.9%	8.3%	9.7%	4.9%	8.0%	4.9%	7.9%	5.9%	8.1%
Latin America	-20.3%	6.1%	-2.0%	6.3%	28.6%	13.4%	34.7%	14.3%	9.0%	9.8%
Rest of the world	0.3%	7.7%	4.5%	11.7%	6.0%	7.3%	5.7%	7.0%	4.1%	8.4%
Total	**-4.2%**	**5.9%**	**0.8%**	**7.3%**	**15.5%**	**9.9%**	**17.0%**	**10.0%**	**7.3%**	**8.3%**

Financial revenue

In € millions	Q1 2016	Q1 2015	Q2 2016	Q2 2015	Q3 2016	Q3 2015	Q4 2016	Q4 2015	FY 2016	FY 2015
France	3	4	3	3	2	3	2	3	10	13
Rest of Europe	4	4	4	5	5	6	4	4	17	19
Latin America	7	10	8	8	9	7	10	8	34	33
Rest of the world	2	1	1	1	1	0	1	2	5	4
Total	**16**	**19**	**16**	**17**	**17**	**16**	**17**	**17**	**66**	**69**

In %	Q1 Change reported	Q1 Change L/L	Q2 Change reported	Q2 Change L/L	Q3 Change reported	Q3 Change L/L	Q4 Change reported	Q4 Change L/L	FY Change reported	FY Change L/L
France	-25.1%	-25.1%	-22.1%	-22.1%	-14.1%	-14.1%	-17.4%	-17.4%	-20.1%	-20.1%
Rest of Europe	-9.8%	-9.1%	-10.9%	-8.9%	-8.9%	-5.2%	-11.5%	-7.4%	-10.3%	-7.7%
Latin America	-19.4%	7.1%	-1.5%	13.0%	10.3%	2.0%	32.3%	23.0%	4.2%	11.0%
Rest of the world	2.5%	14.3%	5.1%	14.4%	5.6%	8.4%	9.4%	16.3%	5.7%	13.3%
Total	**-17.0%**	**-3.1%**	**-7.8%**	**0.1%**	**0.3%**	**-2.5%**	**9.6%**	**6.8%**	**-4.2%**	**0.2%**

Total revenue

In € millions	Q1 2016	Q1 2015	Q2 2016	Q2 2015	Q3 2016	Q3 2015	Q4 2016	Q4 2015	FY 2016	FY 2015
France	48	41	50	53	42	40	65	61	205	195
Rest of Europe	87	83	90	84	84	81	104	99	365	347
Latin America	95	120	117	120	133	104	145	107	490	451
Rest of the world	19	19	20	19	19	18	21	20	79	76
Total	**249**	**263**	**277**	**276**	**278**	**243**	**335**	**287**	**1,139**	**1,069**

In %	Q1 Change reported	Q1 Change L/L	Q2 Change reported	Q2 Change L/L	Q3 Change reported	Q3 Change L/L	Q4 Change reported	Q4 Change L/L	FY Change reported	FY Change L/L
France	16.7%	-0.3%	-7.5%	2.7%	5.9%	4.5%	8.8%	5.9%	5.4%	3.4%
Rest of Europe	4.7%	6.0%	7.3%	8.7%	4.1%	7.3%	4.2%	7.2%	5.0%	7.3%
Latin America	-20.3%	6.2%	-1.9%	6.7%	27.2%	12.6%	34.5%	15.0%	8.6%	9.9%
Rest of the world	0.5%	8.0%	4.5%	11.8%	6.0%	7.3%	5.9%	7.6%	4.2%	8.7%
Total	**-5.2%**	**5.2%**	**0.2%**	**6.9%**	**14.5%**	**9.1%**	**16.6%**	**9.9%**	**6.5%**	**7.8%**

EBIT

In € millions	2016	2015	Change reported	Change L/L
France	44	42	5.9%	3.7%
Rest of Europe	127	108	18.0%	20.6%
Latin America	200	202	-0.8%	9.8%
Rest of the world	13	12	-0.1%	2.9%
Worldwide structures	(14)	(23)	-37.9%	-13.9%
Total	**370**	**341**	**8.4%**	**13.8%**