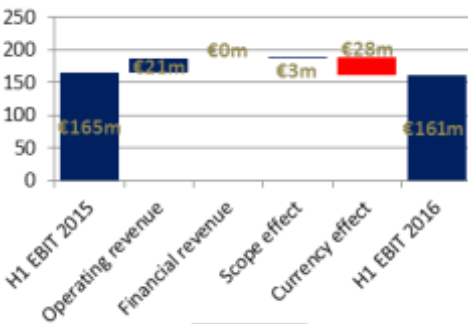


# BG Business Services CHART #16

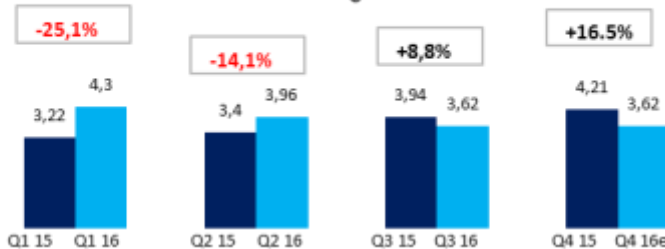
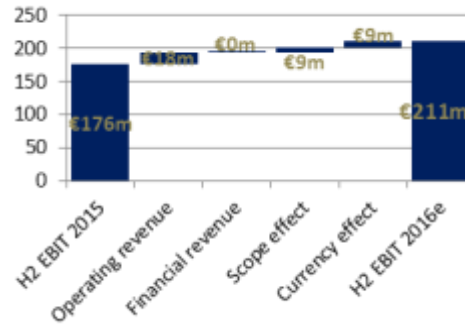
## Currencies: a positive impact finally on the cards

**E** Edenred (NEUTRAL, FV €22)

H1 2016 EBIT Bridge



H2 2016e EBIT Bridge



✓ Since 2011, quarterly IFl issue volume growth over 8% has always been fully absorbed by negative exchange rates (mainly BRL/EUR) at the EBIT level. Finally, the first positive impacts are anticipated in Q3 and H2 2016.

✓ After H1 results, management's FY EBIT guidance is between EUR350m and EUR370m taking into account a EUR35m negative currency impact. Based on FX sensitivity and using current parities until the end of the year, our estimate is -EUR19m. One of the main differences is the BRL/EUR rate with Edenred using 4.00 vs. 3.88 representing an impact of EUR5m on EBIT.

✓ In all, based on organic issue volume growth of 8.6% with flow-through of c.60% and a negative currency impact of EUR19m, our FY EBIT reaches EUR372m, up 9% on a reported basis compared with the consensus at EUR364m.

✓ Next catalysts: Q3 2016 revenue on 13th, October and Capital Market day (London) on 19th, October.