Press release
July 27, 2020

First-half 2020 results

Edenred shows good resilience in the first half and a strong capacity to rebound thanks to its technological leadership

Good resilience shown by the Group in the first half and a strong rebound in June, as lockdown measures were gradually lifted in Europe

- **Total revenue**: €**696** million, down **4.8%** like-for-like and 10.4% as reported versus first-half 2019
- **Operating revenue** down **4.6%** like-for-like, reflecting a 6.6% increase in the first quarter and a 15.4% decrease in the second quarter
  - **Strong rebound in June**: down 9% like-for-like after declines of 19% and 18% in April and May
- **EBITDA** of €**255** million, down **12.8%** on an organic basis and 17.8% as reported
- **Free cash flow generation** of €**113** million versus a negative €13 million in first-half 2019, reflecting a temporary extension of retention times for funds allocated to users, a consequence of the health crisis
- **Net profit, Group share** of €**100** million

2020 outlook

- Continued gradual recovery in Europe and a still uncertain environment in the Americas region. The second half is expected to bring a return to year-on-year organic growth in operating revenue, on a monthly basis
- Confirmation of the €100 million cost savings plan for 2020 and the selective downward adjustment in intended capital expenditure for the year
- **2020 EBITDA target of between €540 million and €610 million[1]**
- **Net debt/EBITDA ratio target of under 2.8 at December 31, 2020**

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[1] Calculated based on an assumption of an average Brazilian real/euro exchange rate for the second half of 2020 equal to the closing spot rate on June 30, 2020.

Bertrand Dumazy, Chairman and Chief Executive Officer of Edenred, said: *"Throughout the first half of 2020, Edenred demonstrated its ability to generate double-digit growth up to mid-March, then its resilience during the toughest period of the health crisis and finally its strong capacity to rebound following the gradual reopening of Europe's economies. In this respect, the crisis has highlighted the robustness of our business model and the relevance of our specific-purpose payment solutions. Our agility and digital leadership have enabled us to develop new earmarked funds programs within very short timeframes, thereby helping to provide targeted stimulus to the economy. Edenred is better positioned than ever to help companies, merchants and public authorities transition into the world of tomorrow."*

FIRST-HALF 2020 RESULTS

Due to the current situation in Venezuela, the like-for-like performance and the currency effect are temporarily calculated excluding the country. Changes are calculated based on 2019 pro forma figures, which reflect the change in the breakdown between operating revenue and other revenue within total revenue in Brazil, effective since fourth-quarter 2019 and with no impact on full-year 2019 total revenue. See the appendices, page 17.

At its meeting on July 24, 2020, the Board of Directors reviewed the Group's consolidated financial statements for the six months ended June 30, 2020.

First-half 2020 key financial metrics:

(in € millions)	First-half 2020	First-half 2019	% change (reported)	% change (like-for-like)
Operating revenue	675	751	-10.2%	-4.6%
Other revenue (A)	21	26	-18.4%	-9.2%
Total revenue	**696**	**777**	**-10.4%**	**-4.8%**
EBITDA	**255**	**310**	**-17.8%**	**-12.8%**
Operating EBIT (B)	171	223	-23.4%	-18.7%
EBIT (A + B)	**192**	**249**	**-22.8%**	**-17.7%**
Net profit, Group share	**100**	**146**	**-31.4%**	

- ### Total revenue: €696 million

Total revenue for first-half 2020 amounted to **€696 million**, down 4.8% like-for-like compared with first-half 2019. The figure was down 10.4% on a reported basis, reflecting unfavorable currency effects (-6.1%) and a slightly positive scope effect (+0.4%) during the period. Total revenue for the second quarter dropped by 15.5% like-for-like and 23.6% as reported, and included a negative currency effect (-8.3%) and a positive scope effect (+0.3%).

- **Operating revenue: €675 million**

Operating revenue for the first six months of 2020 came to €675 million, down 4.6% like-for-like. On a reported basis, an unfavorable currency effect (-6.0%) and a slightly positive scope effect (+0.4%) resulted in a decrease of 10.2%. On a like-for-like basis, operating revenue rose by 6.6% in the first quarter before retreating by 15.4% in the second quarter.

This performance reflects double-digit growth in the first two months of the year, prior to the implementation of lockdown measures, which led to a steep decline in business starting in mid-March. June (down 9% like-for-like after declines of 19% and 18% in April and May, respectively) saw a sharp upturn in business as lockdown measures were gradually lifted in most European countries, while the epidemic was yet to reach its peak in Latin America and the United States.

Thanks to its highly digitalized offering and multi-local organization, Edenred has demonstrated good resilience in the face of this crisis. With digital solutions representing more than 86% of business volume, the Group was able to take swift action to continue serving its clients and meet the specific challenges associated with the crisis. Widespread adoption of homeworking arrangements and the implementation of public health measures accelerated Edenred's transition to digital solutions. The crisis also led to the increased use of earmarked funds programs by companies and governments alike.

- **Operating revenue by business line**

(in € millions)	First-half 2020	First-half 2019	% change (reported)	% change (like-for-like)
Employee Benefits	412	473	-12.9%	-8.7%
Fleet & Mobility Solutions	173	194	-10.7%	-1.4%
Complementary Solutions	90	84	+6.1%	+11.0%
Total	**675**	**751**	**-10.2%**	**-4.6%**

The **Employee Benefits** business line, which accounted for **61%** of the Group's business, generated **€412 million** in operating revenue in first-half 2020, representing a like-for-like decrease of **8.7%** (-12.9% as reported), including a 20.6% like-for-like decline (-26.6% as reported) in the second quarter. The business line's performance reflects strong growth through to mid-March – illustrating the effectiveness of the business drivers deployed under the Next Frontier plan – and then the impact of the lockdown measures implemented first in Europe and subsequently in Latin America:

- Employees subject to short-time working arrangements only receive their benefits pro rata to the days worked, leading to a decline in issue volume and therefore in revenue.
- Additionally, as stores were closed, employees were temporarily using less of the benefits they continued to receive, resulting in a delay in revenue generated by Edenred with partner merchants.

During the crisis, Edenred has accelerated the digital migration of its Employee Benefits, with the share of digitalized business volume expanding by 9 points in Europe compared with first-half 2019. The Group has also seen the adoption rate for its app-to-app payment solutions sharply increase, with close to 30% of Ticket Restaurant card holders in France now able to pay for their meals on delivery platforms. In Brazil, where this service was launched in March, more than 600,000 transactions have already been carried out via Uber Eats, iFood and Rappi.

As lockdowns are lifted one by one across Europe, the Group has observed a gradual return to normal for its clients – with short-time working arrangements being brought to an end – and for employee users as restaurants reopen.

In the **Fleet & Mobility Solutions** business line, which accounted for **26%** of the Group's business, operating revenue inched down **1.4%** over the period on a like-for-like basis (-10.7% as reported) to **€173 million**, and by 14.3% in the second quarter (-27.0% as reported). The heavy fleet segment proved more resilient than light fleets during the lockdown, gradually returning to normal as restrictions were eased in the different countries, while the light vehicle business saw a more pronounced rebound. The Group pursued its innovation strategy during the period, with the launch of a fleet management portal in Europe (UTA Fleet Manager).

The **Complementary Solutions** business line, which includes Corporate Payment Services, Incentive & Rewards and Public Social Programs, generated operating revenue of **€90 million** for the period, versus €84 million for first-half 2019, representing an increase of **11%** like-for-like and an increase of 6.1% as reported. Like-for-like growth came to 9.9% in the second quarter.

This strong rise was notably driven by the launch of new specific earmarked funds programs designed notably to help public authorities effectively combat the impacts of Covid-19. For example, one program saw Edenred digitally distribute funds earmarked for food to 1.3 million British school children who usually receive free school lunches. In Italy and Brazil, food aid was provided to the disadvantaged in the form of meal vouchers in partnership with local authorities and NGOs.

Corporate Payment Services were heavily impacted by the decline in platform-based transactions, particularly in the hospitality, travel and media sectors. However, the crisis has sparked a growing interest for these innovative and secure digital payment solutions as an alternative to conventional payment methods.

- **Operating revenue by region**

(in € millions)	First-half 2020	First-half 2019	% change (reported)	% change (like-for-like)
Europe	411	422	-2.6%	-3.5%
Latin America	203	269	-24.5%	-8.1%
Rest of the World	61	60	+1.0%	+3.5%
Total	**675**	**751**	**-10.2%**	**-4.6%**

In **Europe**, operating revenue totaled **€411 million**, slipping by **3.5%** like-for-like versus first-half 2019 (-2.6% as reported), including a 13.1% contraction in the second quarter. The region represented **61%** of Group operating revenue.

In **France**, operating revenue amounted to **€111 million**, a decrease of **13.5%** like-for-like and as reported. In the second quarter, operating revenue was down 31.3% like-for-like. After having been one of Europe's hardest hit countries in terms of lockdown and short-time working measures in April and May, France saw a strong rebound in business in June, with client orders for all solutions up compared with the same month in 2019. In Employee Benefits, government measures to revive the catering industry are beginning to deliver results. On June 12, the standard daily limit on the use of Ticket Restaurant in food outlets was doubled, triggering a 50% increase in employee users' average digital basket. At end-June, a portion of the funds allocated to employees and accumulated during lockdown had not yet been spent, representing a pool of revenue for Edenred that will be realized as the funds are spent in the merchant network over the coming months.

Operating revenue in **Europe excluding France** totaled **€300 million** in first-half 2020, up **0.8%** like-for-like (+2.1% as reported). In the second quarter, operating revenue contracted by 5.9% like-for-like. In Employee Benefits, conditions improved to varying degrees from one country to another in the second quarter, with the strength of the recovery largely depending on the timing of lockdown easing. Regarding Fleet & Mobility Solutions, business in continental Europe started regaining ground, while in the United Kingdom, TRFC continued to be impacted by the lockdown measures still in place at end-June. Operating revenue for Complementary Solutions expanded during the period, notably thanks to the new specific funds program launched in April for British school children on behalf of the UK Department for Education.

Operating revenue in **Latin America** amounted to **€203 million**, down **8.1%** like-for-like in the first half (-24.5% as reported), with a 20.4% like-for-like decrease in the second quarter. The health situation in the region, which represented **30%** of the Group's operating revenue, remains poor, with the Covid-19 epidemic yet to reach its peak at end-June.

In **Brazil**, operating revenue fell by **8.2%** like-for-like (-26.2% as reported) in the first six months of the year, including a 22.2% like-for-like decrease in the second quarter. In Employee Benefits, a business line impacted by temporary restaurant closures, app-to-app payment solutions for meal delivery platforms have enjoyed a fast adoption rate since they were launched in March. In Fleet & Mobility Solutions, the heavy fleet segment proved more resilient than light fleets, notably reflecting a good harvest season. In addition, fuel prices had a negative impact in the period.

In **Hispanic Latin America**, operating revenue decreased by **8.0%** like-for-like over the period (-20.6% as reported), with a 16.0% like-for-like decline in the second quarter. Within the region, Mexico felt the impact of the crisis in its two business lines, with Fleet & Mobility Solutions weighed down by the drop in fuel prices during the period.

In the **Rest of the World**, operating revenue amounted to **€61 million**, up **3.5%** like-for-like and up 1.0% as reported over the period. In the second quarter, operating revenue shrank by 9.8% like-for-like. The digital coupon business in Taiwan enjoyed strong growth, while activity in North America continued to be strongly impacted by lockdown measures.

- **Other revenue: €21 million**

Other revenue for first-half 2020 came to €**21** million, down **9.2%** like-for-like and down 18.4% as reported. In the second quarter, other revenue decreased by 14.7% like-for-like and by 27.9% as reported. During the first six months of the year, despite the increase in the float as a result of the temporary extension of the retention time for allocated funds, interest rates decreased across the board worldwide, notably in non-eurozone countries. On a reported basis, other revenue was also impacted by unfavorable changes in exchange rates, notably in Latin America.

- **EBITDA: €255 million**

EBITDA amounted to **€255 million** in first-half 2020, versus €310 million in the prior-year period, down **12.8% like-for-like** and 17.8% as reported. The EBITDA margin came in at 36.7%, down 3.3 points year-on-year.

- **EBIT: €192 million**

In the six months to June 30, 2020, EBIT, which comprises operating EBIT plus other revenue, came to **€192 million**, a contraction of **17.7%** like-for-like. The currency effect reduced EBIT by 7.5%, while the scope effect increased it by 2.4%, resulting in a 22.8% reduction in EBIT as reported.

Operating EBIT retreated by 18.7% like-for-like, and by **23.4% as reported**, to **€171 million**.

Operating EBIT by region

(in € millions)	First-half 2020	First-half 2019	% change (reported)	% change (like-for-like)
Europe	114	130	-11.9%	-11.9%
Latin America	57	94	-40.0%	-23.4%
Rest of the World	0	7	-97.9%	-121.2%
Holding & Other	0	(8)	-96.9%	-47.7%
Total	**171**	**223**	**-23.4%**	**-18.7%**

In Europe, operating EBIT declined by 11.9% like-for-like and as reported. In Latin America, the contraction in operating EBIT came to 23.4% like-for-like and to 40.0% as reported.

The Group's operating EBIT margin came out at 25.3% for first-half 2020, down 4.4 points versus 2019, both like-for-like and as reported. During the first quarter, the Group's expenses rose in line with the sharp increase in revenue, before falling due to a double-digit decline in business from mid-March. In response to the crisis, the Group launched a plan at the end of the first quarter to save €100 million in costs compared with the 2020 budget while preserving its technological innovation and development capabilities. The effects of the plan will be felt to a greater extent in the second half and, combined with the gradual recovery in business, will have a positive impact on operating leverage compared with the first half.

- ## Net profit: €100 million

Net profit, Group share totaled €100 million for first-half 2020. This figure takes into account other income and expenses for a net expense of €13 million, as well as a net income tax expense of €57 million, a net financial expense of €15 million, and €13 million attributable to non-controlling interests.

- ## Strong cash flow generation

Edenred's resilient business model generates significant cash flows, delivering **funds from operations before other income and expenses (FFO)** of **€207 million** in first-half 2020, down 15.1% like-for-like and 21.5% as reported.

After falling by €256 million in first-half 2019, the float[2] rose by €313 million over the period, primarily due to a temporary increase in the retention time for prepaid funds. The Group expects retention time to return to normal levels by the end of the year as stores and restaurants reopen.

Recurring capital expenditure totaled €53 million in the first half, versus €37 million in the prior-year period. In particular, this increase reflects the continuous development of the Group's technology assets, notably in terms of IT security and compliance.

Thanks to the high level of cash generated from operations, combined with an increase in the structurally negative working capital requirement, the Group generated €113 million in free cash flow in the first six months of the year, while continuing to invest in its technology assets.

The Group had net debt of €1.50 billion at June 30, 2020, versus €1.63 billion at end-June 2019. This change takes into account €526 million in free cash flow generation and an amount of €151 million returned to shareholders over the past 12 months. Net debt also includes the negative €222 million impact of changes in exchange rates and non-recurring items[3].

- ## A robust financial position

Edenred enjoys a robust financial position with a strong cash position and a solid balance sheet. In May 2020, Standard & Poor's confirmed the Group's BBB+ Strong Investment Grade rating with a stable outlook.

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[2] The float corresponds to a portion of the operating working capital from the preloading of funds by corporate clients.
[3] This amount does not include the €157 million fine issued by France's antitrust authority, which will be paid in first-quarter 2021.

OUTLOOK

In the second half of 2020, Edenred expects the gradual recovery in Europe to continue, and lockdown measures to be maintained in the Americas region during the third quarter, resulting in a still uncertain environment. In Employee Benefits, the Group's performance will be boosted by the delayed revenue generated with merchants and the impact of faster digitalization. Fleet & Mobility Solutions' performance will reflect the recovery in Europe and the impact of ongoing lockdown measures in the Americas region. In Complementary Solutions, new specific-purpose programs will make a positive contribution to growth in the business line, which will continue to be weighed down by lower transaction volumes in Corporate Payment Services.

On this basis, the Group estimates, at this point in time, that **the second half should bring a return to year-on-year organic growth in operating revenue, on a monthly basis**.

The gradual recovery in the second half, combined with the ongoing implementation of the Group's cost savings plan, will have a positive impact on operating leverage. In light of this, **Edenred has set an EBITDA target for 2020 of between €540 million and €610 million**[4].

Based on a return in the second half to the normal float retention time, strongly negative currency effects, a smaller recurring capital expenditure budget than in second-half 2019 and limited projected spending on acquisitions, Edenred estimates that its **net debt at end-2020 will be below 2.8x EBITDA**.

Underpinned by strong fundamentals, the Group is weathering the crisis with resilience. Its technological expertise and agile organization make it well positioned to seize new opportunities in markets undergoing digital transformation.

Thanks to its resilient business model, strengthened digital leadership and the increased demand for earmarked funds programs, Edenred has everything it needs to ensure all of its business lines rebound quickly, and to pursue its strategy of sustainable and profitable growth with a focus on product and technology innovation.

SIGNIFICANT EVENTS SINCE THE BEGINNING OF THE YEAR

- **Edenred ties social and environmental criteria to one of its financing instruments for the first time**

In February 2020, Edenred renegotiated its syndicated credit facility, increasing it to €750 million, extending its maturity to February 2025 – with extension options to February 2027 – and improving the financial conditions. For the first time, Edenred introduced environmental and social performance criteria into the calculation of the financing costs:

[4] Calculated based on an assumption of an average Brazilian real/euro exchange rate for the second half of 2020 equal to the closing spot rate on June 30, 2020.

- promoting healthy and sustainable eating habits – Edenred aims by 2030 to reach an 85% nutrition awareness rate among merchants and employees using its solutions (versus 30% in 2018);
- combating global warming – Edenred is targeting a 52% cut in greenhouse gas emissions intensity[5] by 2030 compared with 2013 (26% reduction in 2018).

- **Edenred expands its Fleet & Mobility Solutions offering in Europe**

In February 2020, Edenred finalized the agreement signed in September 2019 to acquire EBV Finance, a Lithuanian company specialized in tax refunds for European transportation companies.

- **Appointment to the Executive Committee**

In March 2020, Patrick Rouvillois was appointed Executive Vice President, Marketing, Strategy & Asia-Pacific of Edenred, and became a member of the Group Executive Committee. Patrick will be in charge of driving the Group's strategy, transformation and innovation in line with the roadmap set out under the Next Frontier plan for 2019-2022.

- **First measures taken by the Group in response to the consequences of the Covid-19 epidemic**

On March 25, due to the uncertain environment resulting from the Covid-19 epidemic, the Group **suspended its targets for full-year 2020** until it had better visibility of the financial impacts of the epidemic.

On April 6, in response to the unprecedented scale of the crisis, Edenred launched the **"More than Ever"** relief plan, through which the Group pledged to commit **up to €15 million** to mitigate the consequences of the Covid-19 epidemic on its ecosystem, and in particular to:

- protect Edenred employees, notably the most vulnerable, in countries with little or no healthcare coverage or social safety net;
- support partner restaurant owners, who have been severely impacted by strict stay-at-home orders in the various countries where the Group operates.

The "More than Ever" plan is notably financed through:

- the **20% decrease in the dividend** for 2019, to €0.7 per share;
- the **reduction in the Chairman and Chief Executive Officer's compensation** in line with AFEP recommendations;
- the **reduction in the compensation of the members of the Group's Executive Committee** and **Board of Directors**.

[5] Targets calculated using the Science Based Targets initiative methodology in line with the Paris Agreement goals.

- **Edenred strengthens its position in the Brazilian market with the acquisition of employee benefits operations from Cooper Card**

On May 8, 2020, Edenred signed an agreement to acquire Cooper Card's client portfolio for food-related employee benefits (170,000 active users) in Brazil. With this acquisition, Edenred is consolidating its integration into the economic fabric of Paraná, one of the country's most populous and dynamic states.

The transaction has been approved by the Brazilian antitrust authority and is subject to the approval of the Central Bank of Brazil. It is expected to be finalized before the end of 2020.

- **Edenred extends its financial resources via a NEU MTN program and successfully issues €600 million in bonds**

On June 4, 2020, the Group extended its financial resources by submitting a Negotiable EUropean Medium Term Note (NEU MTN) program to France's central bank. Under the program, the Group will be able to issue up to €250 million of medium-term negotiable debt with maturities beyond one year. The medium-term program complements the €750 million Negotiable EUropean Commercial Paper (NEU CP) program for debt with maturities of one year or less.

On June 10, 2020, Edenred successfully issued €600 million worth of nine-year bonds paying a coupon of 1.375%. The bond issuance enabled the Group to extend the average maturity of its debt under more favorable financial conditions than ever previously obtained for Group bonds and to finance its upcoming debt repayments in the second half of 2020 and in 2021.

- **Edenred now owns 100% of UTA**

On May 15, 2020, Edenred acquired all the remaining outstanding shares that it did not already own in its UTA subsidiary, Europe's second-largest issuer of multi-brand fuel cards and a leading provider of value-added services, such as toll settlement, maintenance and VAT recovery solutions.

The transaction followed the exercise of a put option on an additional 17% of outstanding shares by the Eckstein family, co-founders of UTA. The option, which was scheduled to expire in July 2020, was already accounted for in the Group's net debt. The transaction will be accretive to net profit, Group share as of 2020.

UPCOMING EVENTS

October 22, 2020: Third-quarter 2020 revenue

Edenred is a leading services and payments platform and the everyday companion for people at work, connecting 50 million employees and 2 million partner merchants in 46 countries via more than 850,000 corporate clients.

Edenred offers specific-purpose payment solutions for food (meal vouchers), fleet and mobility (fuel cards, commuter vouchers), incentives (gift vouchers, employee engagement platforms) and corporate payments (virtual cards). These solutions enhance employee well-being and purchasing power, improve companies' attractiveness and efficiency, and vitalize the employment market and the local economy.

Edenred's 10,000 employees are committed to making the world of work a connected ecosystem that is safer, more efficient and more user-friendly every day.

In 2019, thanks to its global technology assets, the Group managed €31 billion in business volume, primarily carried out via mobile applications, online platforms and cards.

Edenred is listed on the Euronext Paris stock exchange and included in the following indices: CAC Next 20, FTSE4Good, DJSI Europe and MSCI Europe.

For more information: www.edenred.com

Edenred is celebrating its tenth anniversary in 2020.

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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. The impact of disposals is eliminated from the amount reported 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.

- **Business volume:**

Business volume comprises total issue volume of Employee Benefits, Incentive and Rewards, Public Social Program solutions and Corporate Payment Services, plus the transaction volume of Fleet & Mobility Solutions and other solutions.

- **Issue volume:**

Issue volume is the total face value of the funds preloaded on all of the payment solutions issued by Edenred to its corporate and public sector clients.

- **Transaction volume:**

Transaction volume represents the total value of the transactions paid for with payment instruments, at the time of the transaction.

b) Alternative performance measurement indicators included in the June 30, 2020 Interim 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 2020 condensed interim consolidated financial statements
Operating revenue	Operating revenue corresponds to: • operating revenue generated by prepaid vouchers managed by Edenred, • and operating revenue from value-added services such as incentive programs, human services and event-related services. • It corresponds to the amount billed to the client company and is recognized on delivery of the solutions.
Other revenue	Other revenue is interest generated by investing cash over the period between: • the issue date and the reimbursement date for vouchers, • and the loading date and the redeeming date for cards. The interest represents a component of operating revenue and as such is included in the determination of total revenue.
EBITDA	This aggregate corresponds to total revenue (operating revenue and other revenue) less operating expenses.
EBIT	This aggregate is the "Operating profit before other income and expenses", which corresponds to total revenue (operating revenue and other revenue) less operating expenses, depreciation, amortization (mainly intangible assets, internally generated or acquired assets) and non-operating provisions. It is used as the benchmark for determining senior management and other executive compensation as it reflects the economic performance of the business. EBIT excludes the net profit from equity-accounted companies and excludes the other income and expenses booked in the "Operating profit including share of net profit from equity-accounted companies".
Other income and expenses	*See Note 10.1 of consolidated financial statements*
Funds from operations (FFO)	*See consolidated statement of cash flows (Part 1.4)*

c) Alternative performance measurement indicators not included in the June 30, 2020 Interim Financial Report

Indicator	Definitions and reconciliations with Edenred's 2020 condensed interim consolidated financial statements
Operating EBIT	Corresponds to EBIT adjusted for other revenue. As per the consolidated financial statements, operating EBIT as of June 30, 2020 amounted to €171 million, comprising: • €192 million in EBIT minus €21 million in other revenue.
Free cash flow	Free cash flow corresponds to cash generated by operating activities less investments in intangible assets and property, plant and equipment.

Operating revenue

In € millions	Q1 2020	Q1 2019	Q2 2020	Q2 2019	H1 2020	H1 2019
Europe	228	213	183	209	411	422
France	*70*	*69*	*41*	*59*	*111*	*128*
Rest of Europe	*158*	*144*	*142*	*150*	*300*	*294*
Latin America	121	129	82	140	203	269
Rest of the world	34	28	27	32	61	60
Total	**383**	**370**	**292**	**381**	**675**	**751**

In %	Q1 Change reported	Q1 Change L/L	Q2 Change reported	Q2 Change L/L	H1 Change reported	H1 Change L/L
Europe	+6.9%	+5.9%	-12.3%	-13.1%	-2.6%	-3.5%
France	*+2.0%*	*+2.0%*	*-31.3%*	*-31.3%*	*-13.5%*	*-13.5%*
Rest of Europe	*+9.3%*	*+7.8%*	*-4.7%*	*-5.9%*	*+2.1%*	*+0.8%*
Latin America	-5.6%	+5.2%	-41.9%	-20.4%	-24.5%	-8.1%
Rest of the world	+18.9%	+18.4%	-15.0%	-9.8%	+1.0%	+3.5%
Total	**+3.5%**	**+6.6%**	**-23.4%**	**-15.4%**	**-10.2%**	**-4.6%**

Other revenue

In € millions	Q1 2020	Q1 2019	Q2 2020	Q2 2019	H1 2020	H1 2019
Europe	4	4	4	4	8	8
France	*2*	*2*	*1*	*1*	*3*	*3*
Rest of Europe	*2*	*2*	*3*	*3*	*5*	*5*
Latin America	7	7	4	7	11	15
Rest of the world	1	1	1	2	2	3
Total	**12**	**13**	**9**	**13**	**21**	**26**

In %	Q1 Change reported	Q1 Change L/L	Q2 Change reported	Q2 Change L/L	H1 Change reported	H1 Change L/L
Europe	+2.7%	+2.4%	-15.1%	-14.2%	-6.5%	-6.2%
France	*-5.8%*	*-5.8%*	*-1.8%*	*-1.8%*	*-3.9%*	*-3.9%*
Rest of Europe	*+9.0%*	*+8.5%*	*-22.8%*	*-21.4%*	*-8.2%*	*-7.7%*
Latin America	-11.3%	-3.2%	-29.3%	-7.4%	-20.3%	-5.3%
Rest of the world	-24.0%	-20.1%	-54.6%	-48.2%	-40.1%	-34.9%
Total	**-8.4%**	**-3.4%**	**-27.9%**	**-14.7%**	**-18.4%**	**-9.2%**

Pro forma 2019 operating revenue and other revenue by quarter following the classification change for revenue related to merchants' fast reimbursement in Brazil

Group Operating Revenue	Q1	Q2	Q3	Q4	FY
Actual 2019	369	379	377	445	1 570
Pro forma 2019	370	381	379	440	1 570

Group Other Revenue	Q1	Q2	Q3	Q4	FY
Actual 2019	14	15	16	11	56
Pro forma 2019	13	13	14	16	56

Latin America Operating Revenue	Q1	Q2	Q3	Q4	FY
Actual 2019	128	138	137	156	559
Pro forma 2019	129	140	139	151	559

Latin America Other Revenue	Q1	Q2	Q3	Q4	FY
Actual 2019	9	9	10	4	32
Pro forma 2019	7	7	8	9	32

Total revenue

In € millions	Q1 2020	Q1 2019	Q2 2020	Q2 2019	H1 2020	H1 2019
Europe	232	217	187	213	419	430
France	*72*	*71*	*42*	*60*	*114*	*131*
Rest of Europe	*160*	*146*	*145*	*153*	*305*	*299*
Latin America	128	137	86	147	214	284
Rest of the world	35	29	28	34	63	63
Total	**395**	**383**	**301**	**394**	**696**	**777**

In %	Q1 Change reported	Q1 Change L/L	Q2 Change reported	Q2 Change L/L	H1 Change reported	H1 Change L/L
Europe	+6.9%	+5.9%	-12.4%	-13.1%	-2.7%	-3.6%
France	*+1.8%*	*+1.8%*	*-30.5%*	*-30.5%*	*-13.3%*	*-13.3%*
Rest of Europe	*+9.3%*	*+7.8%*	*-5.1%*	*-6.1%*	*+2.0%*	*+0.7%*
Latin America	-5.9%	+4.7%	-41.3%	-19.7%	-24.3%	-8.0%
Rest of the world	+16.8%	+16.5%	-17.0%	-11.7%	-1.0%	+1.6%
Total	**+3.1%**	**+6.3%**	**-23.6%**	**-15.5%**	**-10.4%**	**-4.8%**

EBITDA, Operating EBIT and EBIT

In € millions	H1 2020	H1 2019	Change reported	Change L/L
Europe	154	168	-8.3%	-8.9%
France	28	42	-33.3%	-33.3%
Rest of Europe	126	126	-0.1%	-0.8%
Latin America	86	129	-33.3%	-16.6%
Rest of the world	11	18	-40.6%	-47.0%
Holding and others	4	(5)	-170.9%	-99.0%
EBITDA	**255**	**310**	**-17.8%**	**-12.8%**

In € millions	H1 2020	H1 2019	Change reported	Change L/L
Europe	114	130	-11.9%	-11.9%
France	15	28	-48.4%	-48.4%
Rest of Europe	99	102	-1.8%	-1.8%
Latin America	57	94	-40.0%	-23.4%
Rest of the world	0	7	-97.9%	-121.2%
Holding and others	0	(8)	-96.9%	-47.7%
Operating EBIT	**171**	**223**	**-23.4%**	**-18.7%**

In € millions	H1 2020	H1 2019	Change reported	Change L/L
Europe	122	138	-11.6%	-11.5%
France	18	31	-43.8%	-43.8%
Rest of Europe	104	107	-2.1%	-2.1%
Latin America	68	109	-37.3%	-20.9%
Rest of the world	2	10	-79.3%	-93.5%
Holding and others	0	(8)	-96.9%	-47.7%
EBIT	**192**	**249**	**-22.8%**	**-17.7%**

Summarized balance sheet

In € millions ASSETS	June 2020	Dec. 2019	June 2019
Goodwill	1,495	1,604	1,604
Intangible assets	661	706	606
Property, plant & equipment	151	169	139
Investments in associates	64	69	64
Other non-current assets	188	169	144
Float (Trade receivables, net)	1,758	2,142	2,158
Working capital excl. float (assets)	316	290	277
Restricted cash	2,295	1,864	1,574
Cash & cash equivalents	2,331	1,873	1,607
TOTAL ASSETS	**9,259**	**8,886**	**8,173**

In € millions LIABILITIES	June 2020	Dec. 2019	June 2019
Total equity	(1,207)	(1,043)	(1,338)
Gross debt and other financial liabilities	3,832	3,163	3,237
Provisions and deferred tax	222	239	244
Vouchers in circulation (Float)			
Working capital excl. float (liabilities)	4,935	5,161	4,908
	1,477	1,366	1,112
TOTAL LIABILITIES	**9,259**	**8,886**	**8,173**

	June 2020	Dec. 2019	June 2019
Total working capital	**4,338**	**4,095**	**3,595**
Of which float:	**3,177**	**3,019**	**2,750**

From net profit, Group share to Free cash flows

In € millions	June 2020	June 2019
Net profit attributable to owners of the parent	**100**	**146**
Non-controlling interests	13	14
Dividends received from equity-accounted companies	11	9
Difference between income tax paid and income tax expense	(7)	6
Non-cash impact from other income and expenses	90	89
= Funds from operations before other income and expenses (FFO)	**207**	**264**
Decrease (Increase) in working capital	448	(108)
Recurring decrease (Increase) in restricted cash	(489)	(132)
= Net cash from (used in) operating activities	**166**	**24**
Recurring capital expenditure	(53)	(37)
= Free cash flows (FCF)	**113**	**(13)**