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Elior SA

Interim Financial Report

October 1, 2014 - March 31, 2015

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1.1 ANALYSIS OF THE GROUP'S RESULTS FOR THE SIX-MONTH PERIODS ENDED MARCH 31, 2015 AND MARCH 31, 2014

(in € millions)	Six months ended March 31,	
	2015	2014
Revenue	**2,822.7**	**2,671.9**
Purchase of raw materials and consumables	*(866.9)*	*(808.3)*
Personnel costs	*(1,294.3)*	*(1,241.2)*
Other operating expenses	*(420.3)*	*(391.1)*
Taxes other than on income (*)	*(37.3)*	*(36.0)*
Share of profit of associates	*0.6*	*0.8*
EBITDA	**204.4**	**196.0**
Depreciation, amortization and provisions for recurring operating items	*(77.7)*	*(69.7)*
Recurring operating profit including share of profit of associates	**126.7**	**126.3**
Other income and expenses, net	*(16.7)*	*(9.4)*
Operating profit including share of profit of associates	**110.0**	**116.9**
Net financial expense	*(42.2)*	*(76.9)*
Profit before income tax	**67.9**	**40.0**
Income tax	*(30.1)*	*(22.5)*
Profit for the period	**37.7**	**17.5**
Attributable to non-controlling interests	*(2.5)*	*(3.3)*
Attributable to owners of the parent	**40.2**	**20.8**
Earnings per share (in €)	*0.24*	*0.19*

(*) The figure for the six months ended March 31, 2014 has been restated compared with the initially reported figure due to the Group's retrospective application of IFRIC 21 (see Note 5 to the condensed interim consolidated financial statements and section 1.1.6 below).

1.1.1 Changes in Scope of Consolidation

The only change in the Group's scope of consolidation in the first half of 2014-2015 (i.e. the six months ended March 31, 2015) was the acquisition of the UK-based contract caterer, Lexington. Lexington generates annual revenue of around £30 million and operates primarily in the Business & Industry market in the City of London. For the six months ended March 31, 2015, Lexington contributed €24.8 million to consolidated revenue and €1.5 million to consolidated EBITDA.

During the first half of 2013-2014, the main changes in the Group's scope of consolidation corresponded to the divestment in December 2013 of non-strategic concession catering operations in Morocco and Argentina, which generated annual revenue of around €20 million. For the six months ended March 31, 2014, these operations contributed €2.9 million to consolidated revenue and €0.4 million to consolidated EBITDA.

1.1.2 Revenue

The following table shows a breakdown of consolidated revenue by geographic region as well as a breakdown of revenue growth between organic growth, changes in scope of consolidation and foreign currency effect for each region and for the Group as a whole.

IN MILLIONS OF EUROS	6 months 2014-2015	6 months 2013-2014	Organic growth	Calendar effect	Changes in scope of consolidatio	Currency effect	Total growth
France	**1 437,1**	*1 425,1*	0,6%	0,2%	0,0%	0,0%	0,8%
Other European countries	**1 039,6**	*956,5*	4,7%	0,0%	2,6%	1,4%	8,7%
Rest of the world	**346,1**	*290,2*	6,8%	0,0%	-1,4%	13,8%	19,3%
GROUP TOTAL	**2 822,7**	*2 671,9*	2,8%	0,1%	0,8%	1,9%	5,6%

Consolidated revenue totaled €2,822.7 million in the first half of 2014-2015. The 5.6% increase on the first half of 2013-2014 reflects solid organic growth of 2.8% over the period. The October 2014 acquisition of Lexington in the United Kingdom added 0.8% to revenue growth, net of the effect of the disposal in 2013 of non-strategic concession catering operations in Argentina and Morocco. Changes in exchange rates had a 1.9% net positive impact, mainly due to the strengthening of the U.S. dollar and sterling against the euro. The portion of revenue generated by international operations in the first six months of 2014-2015 was 49.1% versus 46.7% in first-half 2013-2014.

The following table shows a revenue breakdown between the Group's six main markets and the growth rates by market for the first six months of 2014-2015 and 2013-2014:

IN MILLIONS OF EUROS	6 months 2014-2015	6 months 2013-2014	Organic growth	Calendar effect	Changes in scope of	Currency effect	Total growth
Business & Industry	**947,2**	876,5	3,1%	0,3%	2,8%	1,8%	8,1%
Education	**624,7**	613,0	0,3%	0,0%	0,0%	1,6%	1,9%
Healthcare	**531,7**	500,9	3,3%	0,0%	0,0%	2,9%	6,2%
Contract Catering & Support Services	**2 103,5**	1 990,3	2,3%	0,1%	1,2%	2,0%	5,7%
Motorways	**248,4**	232,0	5,1%	0,0%	0,0%	1,9%	7,1%
Airports	**291,2**	268,4	6,6%	0,0%	-1,2%	3,1%	8,5%
City Sites & Leisure	**179,6**	181,1	-0,8%	0,0%	-0,4%	0,3%	-0,8%
Concession Catering & Travel Retail	**719,2**	681,5	4,1%	0,0%	-0,6%	2,0%	5,5%
GROUP TOTAL	**2 822,7**	2 671,9	2,8%	0,1%	0,8%	1,9%	5,6%

1.1.2.1 Contract Catering & Support Services

Contract Catering & Support Services revenue was up €113.2 million, or 5.7%, on the first-half 2013-2014 figure, coming in at €2,103.5 million and representing 75% of total consolidated revenue.

Organic growth was 2.3% over the period, driven by a particularly strong performance in international markets.

Changes in the scope of consolidation pushed up Contract Catering & Support Services revenue by 1.2%, fueled by the acquisition of Lexington which had a €24.8 million positive impact.

Lastly, changes in exchange rates had a positive 2.0% effect.

In France, revenue reached €1,124.1 million, with overall organic growth amounting to 0.7%. The pace of growth accelerated in the second quarter to 1.1% following on from 0.4% in the first quarter.

- In the Business & Industry market, average revenue per meal increased but attendance levels were lower.

- Revenue generated in the Education market was up year on year, notably thanks to the contribution of the secondary school catering contract entered into with the Conseil Général des Hauts-de-Seine as well as increased attendance and a higher average customer spend.

- In the Healthcare market, revenue was up on the first half of 2013-2014, led by both the performance of existing sites and the opening of new sites.

In international markets, revenue rose 11.6% year on year to €979.4 million. Organic growth was 4.3%, propelled by the United States, the United Kingdom and Spain, while Italy posted a slight contraction. The acquisition of Lexington in the United Kingdom and positive currency effects generated additional revenue growth of 2.8% and 4.6% respectively.

- Organic growth was sustained in the Business & Industry market, fueled by strong revenue levels in Spain, the United States and Italy. Growth slowed in Italy during the second quarter however, due to an unfavorable basis of comparison with the previous fiscal year as a result of the Itinere contract start-up in November 2013. In the United Kingdom, the acquisition of Lexington contributed €24.8 million to revenue.

- In the Education market, the slowdown in business in Italy was partially offset by revenue increases in other countries, particularly Spain and the United Kingdom.

- The Healthcare market reported strong growth for the period, driven by robust performances in the United States, the United Kingdom and Spain.

1.1.2.2 Concession Catering & Travel Retail

Concession Catering & Travel Retail revenue advanced by 5.5% year on year to €719.2 million, representing 25% of total consolidated revenue, in a period that is traditionally this business line's low season.

Organic growth was 4.1% overall, with a slight slowdown in the second quarter. Changes in scope of consolidation – corresponding to the sale in December 2013 of the Group's concession catering subsidiaries in Argentina and Morocco – trimmed 0.6% off revenue, while changes in exchange rates, notably for the U.S. dollar, had a positive 2.0% impact.

Revenue generated in **France, Germany, Belgium and Italy** rose 4.9% year on year to €432.5 million, with the increase entirely due to organic growth as there were no changes in scope of consolidation during the period.

- The Motorways market enjoyed strong growth in Italy, propelled by the opening of new motorway rest areas, whereas revenue in France remained stable.

- Revenue growth in the Airports market was fueled by a sharp upturn in Italy due in particular to good showings at Rome and Milan Linate airports and the start-up of new contracts at Alghero, Genoa, Lamezia, Pisa and Turin airports. In France, revenue for the period was negatively impacted as from January 2015 by the loss of the contract for Terminal 1 at Nice Airport.

- The City Sites & Leisure market also reported an overall year-on-year revenue increase, thanks to good attendance levels at leisure resorts in France and Germany in both the first and second quarters. Revenue generated in railway stations, however, was adversely affected by the terrorist attacks that took place in France in early January 2015 as well as by the renovation works currently under way at Gare du Nord in Paris.

In Spain, Portugal and the Americas, growth of 6.5% over the period pushed revenue up to €286.6 million. Organic growth came to 3.0%.

- The Motorways market felt the positive effects of (i) the ramp-up of rest areas in the United States despite the difficult weather conditions in the second quarter, and (ii) a revenue increase in Spain and Portugal, also during the second quarter.

- Revenue in the Airports market was driven by the opening of new points of sale in the United States (notably in Los Angeles and Chicago), as well as growth delivered by Spanish airports, particularly Madrid-Barajas where all of the new concepts have now been launched and revenue rose at a faster pace than air traffic volumes during the period.

1.1.3 Purchase of Raw Materials and Consumables

This item increased by €58.6 million, or 7.2%, to €866.9 million for the six months ended March 31, 2015 from €808.3 million in the corresponding prior-year period. The following table sets out purchases of raw materials and consumables by business line and as a percentage of the revenue of each business line.

(in € millions and % of revenue)	*Six months ended March 31,*			
	2015		*2014*	
Purchase of raw materials and consumables				
Contract Catering & Support Services	(663.2)	31.5%	(614.5)	30.9%
Concession Catering & Travel Retail	(214.3)	29.8%	(203.9)	29.9%
Headquarters, holding companies and purchasing entities	10.6	–	10.1	–
Total	**(866.9)**	**30.7%**	**(808.3)**	**30.3%**

1.1.3.1 Contract Catering & Support Services

Purchases of raw materials and consumables for the Contract Catering & Support Services business line rose by €48.7 million, or 7.9%, to €663.2 million for the six months ended March 31, 2015 from €614.5 million for the first half of 2013-2014. The acquisition of Lexington in October 2014 accounted for €7.8 million of the year-on-year increase.

As a percentage of revenue, this item edged up to 31.5% from 30.9%, mainly due to international subsidiaries as the ratio remained stable for Contract Catering & Support Services operations in France. In the USA, THS's purchases of raw materials and consumables were 1.0 point higher as a percentage of revenue than in the first six months of 2013-2014 as a result of (i) an increase in food prices that could only be partly passed on to clients, and (ii) changes in its client and contract mix. In Spain, changes in Serunión's client and contract mix drove up its ratio by 0.7 of a point. Conversely, in Italy the ratio was positively affected by (i) the continuing favorable impact of the start-up of the on-board train catering contract in the first quarter of 2013-2014, which, due to the nature of the services provided, involves a different product mix and a much lower raw materials cost ratio than the Group's other contract catering operations, and (ii) more effective management of raw materials costs in the business line's other operations.

1.1.3.2 Concession Catering & Travel Retail

Purchases of raw materials and consumables for the Concession Catering & Travel Retail business line increased by €10.4 million, or 5.1 %, to €214.3 million from €203.9 million, primarily due to the opening of new sites and new points of sale in the Airports market in Italy. As a percentage of revenue, this item edged down to 29.8% from 29.9%.

1.1.4 Personnel Costs

Consolidated personnel costs increased by €53.1 million, or 4.3%, year on year to €1,294.3 million from €1,241.2 million. As a percentage of revenue they decreased, however, to 45.9% from 46.5%, reflecting the productivity enhancement measures put in place during the period in the Contract Catering business.

The following table sets out personnel costs by business line and as a percentage of the revenue of each business line.

(in € millions and % of revenue)	*Six months ended March 31,*			
	2015		*2014*	
Personnel costs				
Contract Catering & Support Services	(1,008.7)	48.0%	(966.5)	48.6%
Concession Catering & Travel Retail	(260.7)	36.2%	(253.6)	37.2%
Headquarters, holding companies and purchasing entities [(1)]	(25.0)	–	(21.1)	–
Total	**(1,294.3)**	**45.9%**	**(1,241.2)**	**46.5%**

(1) Represents personnel costs associated with headquarters, holding companies and purchasing entities (including the IT department) invoiced to operating entities for management and shared services. As the corresponding invoices do not break down the costs invoiced by nature, they cannot be allocated to the specific operating segments. They are therefore recorded as a credit under "Other operating expenses" within Headquarters, holding companies and purchasing entities.

1.1.4.1 Contract Catering & Support Services

Personnel costs for the Contract Catering & Support Services business line rose by €42.2 million, or 4.4%, to €1,008.7 million from €966.5 million. The higher amount for first-half 2014-2015 was mainly attributable to the effect of the acquisition of Lexington during the period (which accounted for €13.3 million of the total year-on-year increase), as well as a rise in personnel costs (in line with revenue growth) for this business line's operations in the United Kingdom and the United States.

As a percentage of revenue, Contract Catering & Support Services personnel costs decreased to 48.0% from 48.6%. All of the business line's international subsidiaries saw a reduction in their personnel costs to revenue ratio, particularly in (i) the United Kingdom, as a result of cost efficiency measures, and (ii) Italy, due to the development of new concepts that are less costly in terms of labor, the impact of productivity enhancement plans and the termination of unprofitable facilities management contracts.

1.1.4.2 Concession Catering & Travel Retail

Personnel costs for the Concession Catering & Travel Retail business line rose by €7.1 million, or 2.8 %, to €260.7 million from €253.6 million. This year-on-year increase primarily stemmed from higher personnel costs in the Group's Italian Concession Catering & Travel Retail operations due to the opening of new sites and points of sale in the Airports market.

In the Group's other Concession Catering & Travel Retail operations, personnel costs decreased in France, Belgium and Germany (due to productivity gains and cost efficiency measures) although this was offset by an increase in the USA resulting from the brisk business volumes reported there.

As a percentage of revenue, personnel costs for this business line retreated to 36.2% from 37.2%, mainly reflecting a lower ratio of personnel costs to revenue for operations in France, Germany and Belgium thanks to the above-mentioned productivity gains and cost-efficiency measures.

1.1.5 Other Operating Expenses

Other operating expenses increased by €29.2 million, or 7.5%, to €420.3 million in the six months ended March 31, 2015 from €391.1 million in the corresponding prior-year period.

The following table sets out other operating expenses by business line and as a percentage of the revenue of each business line.

(in € millions and % of revenue)	*Six months ended March 31,*			
	2015		*2014*	
Other operating expenses				
Contract Catering & Support Services	(226.1)	10.7%	(210.4)	10.6%
Concession Catering & Travel Retail	(206.0)	28.6%	(188.6)	27.7%
Headquarters, holding companies and purchasing entities [(1)]	11.8	_	8.0	_
Total	**(420.3)**	***14.9%***	**(391.1)**	***14.6%***

(1) Represents the portion of revenue invoiced to operating entities by headquarters, holding companies and purchasing entities (includes the IT department) for management and shared services. As the corresponding invoices do not break down the costs invoiced by nature, they cannot be allocated to the specific operating segments. They are therefore recorded as a credit under "Other operating expenses" for Headquarters, holding companies and purchasing entities and mainly comprise personnel costs.

1.1.5.1 Contract Catering & Support Services

Other operating expenses reported for the Contract Catering & Support Services business line rose by €15.7 million, or 7.5%, to €226.1 million from €210.4 million. The year-on-year increase reflects the acquisition of Lexington (which accounted for €2.1 million of the overall rise) as well as the increased use of subcontracting in Italy as a result of the start-up in November 2013 of the Group's services under on-board train catering contracts. In the United States, THS's operating expenses were €3.0 million higher than in the first six months of 2013-2014, in line with its business development.

As a percentage of revenue, the business line's other operating expenses remained stable year on year.

1.1.5.2 Concession Catering & Travel Retail

Other operating expenses for the Concession Catering & Travel Retail business line increased by €17.4 million, or 9.2%, to €206.0 million from €188.6 million. The increase was mainly attributable to (i) operations in Italy, where the Group took over new sites and opened new points of sale at existing sites, and (ii) the City Sites market in the French Concession Catering business, due to the impacts of an adjustment to royalties payable for previous years in connection with the Louvre Museum contract and the fact that the Paris Motor Show (which takes place every two years) was held during the first half of 2014-2015. As a percentage of revenue, other operating expenses for this business line edged up to 28.6% in the six months ended March 31, 2015 from 27.7% in the same period of 2013-2014.

1.1.6 Taxes other than on Income

The figure that was reported under this item for the six months ended March 31, 2014 has been restated to take into account the Group's retrospective application of IFRIC 21 since October 1, 2014 (see Note 5 to the condensed interim consolidated financial statements). This restatement had a €4.4 million impact at March 31, 2015 but does not affect year-on-year changes in this item between the six-month periods ended March 31, 2015 and March 31, 2014.

Taxes other than on income increased by €1.3 million, or 3.6 %, in the first half of 2014-2015, amounting to €37.3 million versus €36.0 million for the same period of 2013-2014. As a percentage of revenue they remained stable year on year. The following table sets out taxes other than on income by business line and as a percentage of the revenue of each business line.

(in € millions and % of revenue)	*Six months ended March 31,*			
	2015		*2014*	
Taxes other than on income				
Contract Catering & Support Services	(25.7)	1.2%	(25.1)	1.3%
Concession Catering & Travel Retail	(10.1)	1.4%	(9.8)	1.4%
Headquarters, holding companies and purchasing entities	(1.4)	–	(1.1)	–
Total	**(37.3)**	**1.3%**	**(36.0)**	**1.3%**

1.1.6.1 Contract Catering & Support Services

Taxes other than on income for the Contract Catering & Support Services business line rose by €0.6 million, or 2.4 %, to €25.7 million from €25.1 million.

1.1.6.2 Concession Catering & Travel Retail

For the Concession Catering & Travel Retail business line, taxes other than on income increased by €0.3 million to €10.1 million from €9.8 million. As a percentage of revenue, however, they remained stable at 1.4%.

1.1.7 EBITDA

The following table sets out EBITDA by business line and as a percentage of the revenue of each business line.

(in € millions and % of revenue)	*EBITDA* *Six months ended March 31, 2015*	*EBITDA* *Six months ended March 31, 2014*	*Change in EBITDA*	*EBITDA margin* *Six months ended March 31, 2015*	*EBITDA margin* *Six months ended March 31, 2014*
Contract Catering & Support Services					
France	105.5	104.7	0.8	9.4%	9.4%
Other countries	74.2	69.2	5.0	7.6%	7.9%
Total Contract Catering & Support Services	**179.7**	**173.9**	**5.8**	**8.5%**	**8.7%**
Concession Catering & Travel Retail					
France, Germany, Belgium, Italy	18.7	15.9	2.8	4.3%	3.9%
Spain, Portugal and the Americas	10.0	10.4	(0.4)	3.5%	3.9%
Total Concession Catering & Travel Retail	**28.7**	**26.3**	**2.4**	**4.0%**	**3.9%**
Headquarters, holding companies and purchasing entities	(4.0)	(4.2)	0.2		
Consolidated total	**204.4**	**196.0**	**8.4**	**7.2%**	**7.3%**

Consolidated EBITDA climbed by €8.4 million to €204.4 million in first-half 2014-2015 and represented 7.2% of revenue versus 7.3% for the first six months of 2013-2014. Changes in exchange rates (mainly the USD and GBP) had a positive €4 million impact on EBITDA in absolute value terms during the period, but had a slightly dilutive effect on EBITDA margin.

1.1.7.1 Contract Catering & Support Services

EBITDA for the Contract Catering & Support Services business line advanced to €179.7 million from €173.9 million, but its EBITDA margin edged down to 8.5%.

The acquisition of Lexington in October 2014 contributed €1.5 million of the year-on-year rise in absolute value terms.

In France, EBITDA totaled €105.5 million and represented 9.4% of revenue, on a par with the first half of 2013-2014. The strong performance delivered in the Business & Industry market offset slight contractions in the Education and Healthcare markets.

In international operations, Contract Catering & Support Services EBITDA was €5.0 million higher than in the comparable prior-year period, coming in at €74.2 million. As a percentage of revenue, however, it was down on the first half of 2013-2014, representing 7.6% versus 7.9%. International EBITDA for this business line was boosted during the period by revenue growth in the United States and the United Kingdom, and EBITDA margin was temporarily spurred by the integration currently in progress of UK-based Lexington.

1.1.7.2 Concession Catering & Travel Retail

Concession Catering & Travel Retail EBITDA rose to €28.7 million (4.0% of revenue) from €26.3 million (3.9% of revenue) in the first six months of 2013-2014.

In France, Germany, Belgium and Italy, the EBITDA figure was €18.7 million (versus €15.9 million for the prior-year period), and represented 4.3% of revenue, up by 40 basis points on first-half 2013-2014. The strong performance turned in by the business line's Italian operations and the City Sites & Leisure market in France more than offset the contraction in profitability experienced in the French Airports market during the period. EBITDA margin in the Motorways market in France was stable year on year.

In Spain, Portugal and the Americas, EBITDA was stable compared with the first half of 2013-2014, coming in at €10.0 million, despite the revenue growth reported for the period.

When analyzing EBITDA margin for the Concession Catering & Travel Retail business line it is important to note that it is significantly affected by seasonal fluctuations, as business volumes are much lower in the first two quarters of the year than in the last two quarters.

1.1.8 Depreciation, Amortization and Provisions for Recurring Operating Items

Consolidated depreciation, amortization and provisions for recurring operating items rose by €8.0 million, or 11.5%, to €77.7 million from €69.7 million.

The following table sets out depreciation, amortization and provisions for recurring operating items by business line and as a percentage of the revenue of each business line.

(in € millions and % of revenue)	*Six months ended March 31,*			
	2015		*2014*	
Depreciation, amortization and provisions for recurring operating items				
Contract Catering & Support Services	(36.2)	1.7%	(32.9)	1.7%
Concession Catering & Travel Retail	(40.6)	5.6%	(36.1)	5.3%
Headquarters, holding companies and purchasing entities	(0.8)	–	(0.7)	–
Total	**(77.7)**	**2.8%**	**(69.7)**	**2.6%**

1.1.8.1 Contract Catering & Support Services

Depreciation, amortization and provisions for recurring operating items reported by the Contract Catering & Support Services business line rose by €3.3 million, or 10.0%, to €36.2 million from €32.9 million. The year-on-year increase mainly stemmed from higher depreciation and amortization expenses in the United States.

1.1.8.2 Concession Catering & Travel Retail

Depreciation, amortization and provisions for recurring operating items reported by the Concession Catering & Travel Retail business line increased by €4.5 million, or 12.5 %, to €40.6 million from €36.1 million. The year-on-year rise was primarily due to (i) capital expenditure incurred in 2013-2014 for new contracts in the United States, and (ii) additional depreciation expenses recorded as a result of renovated sites on motorways in France.

1.1.9 Other Income and Expenses, Net

This item represented a net expense of €16.7 million for the six months ended March 31, 2015, chiefly reflecting (i) an aggregate €4.1 million in amortization of intangible assets (brand and customer relationships) recognized on the first-time consolidation of THS in the United States and Lexington in the United Kingdom as part of the purchase price allocation processes (breaking down as €3.1 million for THS and €1.0 million for Lexington), (ii) the expensing of €8.6 million worth of debt issuance costs that were previously capitalized and unamortized, corresponding to the amounts repaid under the Senior Facilities Agreement (SFA) following the refinancing of the Group's senior debt carried out in December 2014, and (iii) the recognition of a €3.0 million provision for restructuring costs.

For the six months ended March 31, 2014, “Other income and expenses, net” represented a net expense of €9.4 million, and primarily included (i) a €2.7 million amortization charge for the period on the intangible assets (customer relationships) recognized as part of the THS purchase price allocation process, (ii) the €2.5 million loss recognized on the divestment of the Group's concession catering operations in Argentina and Morocco, (iii) the discount fee paid on the sale in March 2014 of the 2013 CICE tax receivable, and (iv) costs and fees incurred in connection with the Company's IPO.

1.1.10 Net Financial Expense

Net financial expense decreased by €34.7 million, or 45.1%, in the first six months of 2014-2015 to €42.2 million from €76.9 million in the same period of 2013-2014. The reduction was mainly due to (i) the repayment of a portion of the Group's debt in June 2014 following the IPO and in December 2014 in connection with the senior debt refinancing, (ii) the lower interest margins obtained as a result of the refinancing of the Group's senior debt in December 2014, and (iii) better financial conditions for the Group's securitization programs obtained in the second quarter of 2014-2015.

1.1.11 Income Tax

The Group's income tax expense rose by €7.6 million, or 34.1%, to €30.1 million from €22.5 million, representing an effective tax rate of 30% (or 44% including the impact of the French CVAE tax). The year-on-year increase primarily reflects the higher level of taxable profit in the first half of 2014-2015 compared with the equivalent period of 2013-2014.

1.1.12 Attributable Profit for the Period and Earnings per Share

As a result of the above-described factors – particularly the lower finance costs – and despite higher non-recurring expenses, profit for the period attributable to owners of the parent almost doubled in the six months ended March 31, 2015, amounting to €40.2 million versus €20.8 million for the comparable prior-year period.

Earnings per share – calculated based on the fully-diluted weighted average number of Elior shares outstanding during the period – amounted to €0.24, representing 1.26 times the first-half 2013-2014 figure of €0.19.

1.2 CONSOLIDATED CASH FLOWS FOR THE SIX-MONTH PERIODS ENDED MARCH 31, 2015 AND MARCH 31, 2014

The following table provides a summary of the Group's cash flows for the six-month periods ended March 31, 2015 and March 31, 2014.

(in € millions)	*Six months ended March 31,*	
	2015	*2014*
Net cash from/(used in) operating activities	(12.9)	11.3
Net cash used in investing activities	(110.1)	(100.0)
Net cash from financing activities	110.3	150.0
Effect of exchange rate and other changes	(45.6)	(2.8)
Net increase/(decrease) in cash and cash equivalents	**(58.3)**	**58.6**

1.2.1 Cash Flows from Operating Activities

The following table sets out the components of consolidated net cash from/(used in) operating activities for the six-month periods ended March 31, 2015 and March 31, 2014.

(in € millions)	*Six months ended March 31,*	
	2015	*2014*
EBITDA	204.4	196.0
Change in working capital	(121.7)	(86.8)
Interest paid	(38.9)	(74.1)
Tax paid	(9.9)	0.1
Other (including dividends received from associates)	(46.8)	(24.0)
Net cash from/(used in) operating activities	**(12.9)**	**11.3**

Operating activities generated a net cash outflow of €12.9 million in the six months ended March 31, 2015 versus a net cash inflow of €11.3 million in the first half of 2013-2014.

1.2.1.1 Change in working capital

Change in working capital resulted in a higher cash outflow in the six months ended March 31, 2015 (€121.7 million) than in the same period of 2013-2014 (€86.8 million). This increase primarily reflects the customary seasonality of the Group's working capital, but is also attributable to (i) an unfavorable basis of comparison with first-half 2013-2014 as during that period non-recurring non-recourse sales of receivables in an amount of €17.0 million were carried out in Spain following a one-off decision by the Spanish government to reduce its payment terms, and (ii) slightly longer client payment terms in certain subsidiaries (in the USA, United Kingdom and Italy).

1.2.1.2 Tax paid

Tax paid includes corporate income tax paid in all of the geographic regions in which the Group operates. It also includes the Italian IRAP tax (*Imposta Regionale Sulle Attività Produttive*) and the French CVAE tax.

This item represented a net cash outflow of €9.9 million in the six months ended March 31, 2015 versus a net cash inflow of €0.1 million in first-half 2013-2014. This negative swing mainly stemmed from the payment during first-half 2014-2015 of taxes on asset sales carried out during the previous fiscal year, as well as from an unfavorable basis of comparison due to a tax refund received in France in the first six months of 2013-2014.

1.2.1.3 Other cash flows from operating activities

Other cash flows from operating activities primarily relate to (i) non-recurring income and expenses recorded under "Other income and expenses, net" in the consolidated income statement, and (ii) payments made in connection with fair value adjustments recognized in accordance with IFRS as part of the purchase price allocation process for acquisitions of subsidiaries carried out in prior periods. For the six-month periods ended March 31, 2015 and 2014, other cash flows from operating activities represented net cash outflows of €46.8 million and €24.0 million respectively. The figure for the six months ended March 31, 2015 primarily includes (i) €22.5 million in costs related to Elior's IPO in June 2014, (ii) approximately €15.6 million in restructuring costs, which were principally incurred by Áreas and Serunión in Spain and by Elior Italy, and were provisioned at September 30, 2014, and (iii) expenses related to recent acquisitions (Lexington).

1.2.2 Cash Flows from Investing Activities

The following table sets out the components of consolidated net cash used in investing activities for the six-month periods ended March 31, 2015 and March 31, 2014.

(in € millions)	*Six months ended March 31,*	
	2015	*2014*
Purchases of and proceeds from sale of property, plant and equipment and intangible assets	(90.2)	(95.6)
Purchases of and proceeds from sale of non-current financial assets	(0.7)	(2.6)
Acquisition/sale of shares in consolidated companies	(19.3)	(1.8)
Net cash used in investing activities	**(110.1)**	**(100.0)**

1.2.2.1 Capital expenditure

Total consolidated cash used for purchases of property, plant and equipment and intangible assets (net of proceeds from sales) decreased year on year to €90.2 million from €95.6 million.

The figure for Contract Catering & Support Services came to €47.1 million for the six months ended March 31, 2015 and €37.0 million for the first half of 2013-2014, representing 2.2% and 1.9% of the business line's revenue respectively. The year-on-year increase reflects the capital outlay incurred for new contracts, particularly in the Business & Industry and Education markets in France, as well as in Spain and the United States.

For Concession Catering & Travel Retail, net cash used for capital expenditure totaled €39.6 million for the six months ended March 31, 2015 and €56.0 million for the corresponding prior-year period, representing 5.5% and 8.2% of the business line's revenue respectively. These figures reflect a significantly lower level of capital outlay during first-half 2014-2015 following the completion of capital expenditure programs for U.S. motorways, although this effect was partially offset by capital spending for five new airport sites in Italy.

Net cash used for capital expenditure by Headquarters, holding companies and purchasing entities increased to €3.5 million from €2.7 million, and primarily corresponded to purchases of software and hardware.

1.2.2.2 Purchases of and proceeds from sale of non-current financial assets

This item corresponded to a net cash outflow of €0.7 million in the six months ended March 31, 2015.

The consolidated net cash outflow of €2.6 million recorded under this item for the first half of 2013-2014 mainly reflected an increase in loans and deposits.

1.2.2.3 Acquisition/sale of shares in consolidated companies

For the six months ended March 31, 2015, acquisitions and sales of shares in consolidated companies represented a net cash outflow of €19.3 million, mostly corresponding to the consideration paid for the Lexington shares acquired in October 2014.

For the six months ended March 31, 2014, this item represented a net cash outflow of €1.8 million and concerned (i) the payment of acquisition-related liabilities (additional purchase price consideration payable by THS to certain former shareholders of THS subsidiaries), partially offset by (ii) proceeds received during the period from the sale of the Group's subsidiaries in Argentina and Morocco.

1.2.3 Cash Flows from Financing Activities

The following table sets out the components of consolidated net cash from financing activities for the six-month periods ended March 31, 2015 and March 31, 2014.

(in € millions)	*Six months ended March 31,*	
	2015	*2014*
Movements in share capital of the parent and in shareholder loans	0.2	0.0
Dividends paid to non-controlling interests in consolidated companies	(8.2)	(0.4)
Proceeds from borrowings	1,083.0	186.4
Repayments of borrowings	(964.7)	(35.9)
Net cash from financing activities	**110.3**	**150.0**

Net cash from financing activities totaled €110.3 million and €150.0 million in the six-month periods ended March 31, 2015 and 2014 respectively.

1.2.3.1 Movements in share capital of the parent and in shareholder loans

The €0.2 million recorded under this item for the first half of 2014-2015 represents the amounts received for capital increases carried out on exercise of Elior stock options.

There were no movements in the parent company's share capital during the six months ended March 31, 2014.

1.2.3.2 Dividends paid to non-controlling interests in consolidated companies

This item represented net cash outflows of €8.2 million and €0.4 million for the six-month periods ended March 31, 2015 and 2014 respectively, and corresponded to dividends paid to non-controlling shareholders of Áreas in Spain and MyChef in Italy.

1.2.3.3 Proceeds from borrowings

Consolidated cash inflows from proceeds from borrowings totaled €1,083.0 million and €186.4 million in the six-month periods ended March 31, 2015 and 2014 respectively.

In the first half of 2014-2015, this item primarily corresponded to (i) a €950 million bank loan drawn down by Elior SA and Elior Participations SCA in connection with the refinancing of their syndicated bank loans on December 10, 2014 (fifth amendment of the SFA), (ii) €56.6 million from new securitized receivables, and (iii) a €19.1 million bank loan drawn down by Áreas to fund the capital outlay for its U.S. concession operations.

In the six months ended March 31, 2014, this item primarily corresponded to (i) €124.4 million from new securitized receivables, primarily due to the inclusion of Serunión and then Elior Italy in the securitization program and including €34.6 million in cash received on the sale of the CICE tax receivable for 2013, and (ii) a €57.9 million bank loan drawn down by Áreas to refinance its borrowings and fund its capital expenditure in the United States.

1.2.3.4 Repayments of borrowings

Repayments of borrowings led to net cash outflows of €964.7 million and €35.9 million in the six-month periods ended March 31, 2015 and 2014 respectively.

In the first half of 2014-2015 this item primarily related to (i) early repayment in an amount of €956.3 million made by Elior SA and Elior Participations SCA for their two syndicated bank loans (at the time of the fifth amendment of the SFA, as referred to above), (ii) the repayment of €2.4 million in finance lease liabilities, and (iii) €6.0 million in repayments of various other bank borrowings.

In the six months ended March 31, 2014, these repayments mainly concerned finance lease liabilities and various bank borrowings of subsidiaries (notably **Ár**eas).

1.2.4 Effect of Exchange Rate and Other Changes

In the six months ended March 31, 2015, fluctuations in exchange rates and other changes had a negative €45.6 million cash impact. Out of this total, €30.5 million related to currency effects on consolidated cash and cash equivalents and hedges of net investments in foreign operations, and €15.1 million concerned bank fees paid in connection with the Group's debt refinancing in December 2014 (5th amendment of the SFA).

In the first half of 2013-2014, fluctuations in exchange rates and other changes had a negative €2.8 million cash impact, primarily reflecting the combined impact of (i) cash amounts received by Áreas USA for the Florida Turnpike short-term financial receivable recorded in accordance with IFRIC 12, (ii) favorable currency effects on consolidated cash and cash equivalents, and (iii) bank fees paid in connection with the Group's debt repricing.

1.3 CONSOLIDATED BALANCE SHEET

(in € millions)	*At March 31,*	
	2015	*2014*
Non-current assets	3,477	3,347
Current assets excluding cash and cash equivalents	1,235	1,168
Cash and cash equivalents	159	231
Total assets	**4,871**	**4,746**

(in € millions)	*At March 31,*	
	2015	*2014*
Equity	1,252	608
Non-controlling interests	32	64
Non-current liabilities	2,026	2,579
Current liabilities	1,561	1,494
Total equity and liabilities	**4,871**	**4,746**
Net working capital requirement	(93)	(80)
Gross debt	1,729	2,482
Net debt as defined in the SFA	1,586	2,273
SFA leverage ratio (net debt as defined in the SFA / EBITDA) (*)	3.47	5.25

(*) Pro forma, adjusted to exclude acquisitions/divestments of consolidated companies carried out during the previous 12 months.

At March 31, 2015, the Group's gross debt totaled €1,729 million compared with €2,482 million one year earlier, and mainly included (i) euro-denominated borrowings amounting to €950 million under the SFA and €227 million in debt carried by Elior SA and Elior Participations SCA in relation to the Senior Secured Notes issued by Elior Finance & Co. SCA, and (ii) U.S. dollar-denominated borrowings comprising $144 million (€134 million) worth of debt under a senior loan set up by THS in the United States. The remainder of the Group's gross debt at March 31, 2015 was made up of €232 million in liabilities related to trade receivables securitized by French, Italian and Spanish subsidiaries, as well as €12 million in finance lease liabilities and €160 million in bank loans taken out by Áreas.

At March 31, 2015 and for the six months then ended, the average interest rate – including the lending margin but excluding the effect of interest rate hedges – on Elior's debt related to the SFA and Senior Secured Notes (which represent the majority of the Group's total debt) was 3.0% (compared with 3.8% for the first quarter of the fiscal year).

Cash and cash equivalents recognized in the balance sheet amounted to €159 million at March 31, 2015. At the same date, cash and cash equivalents presented in the cash flow statement, i.e. net of bank overdrafts and short-term accrued interest, totaled €130 million.

At March 31, 2015, consolidated net debt (as defined in the SFA) stood at €1,586 million. This amount represented 3.47 times consolidated EBITDA (excluding acquisitions/divestments of consolidated companies), versus 5.25 times at March 31, 2014 and 3.09 times at September 30, 2014. The Group's leverage ratios are affected by the seasonal fluctuations inherent in its operations which mean that its working capital position is traditionally better in the second half of the fiscal year than in the first.

1.4 EVENTS AFTER THE REPORTING DATE

a. Planned acquisition of the residual 38.45% minority interest in Áreas

On April 30, 2015, Elior announced that it had signed a memorandum of understanding with Corporación Empresarial Emesa ("Emesa") to acquire the 38.45% minority interest held by Emesa in Elior's Spanish subsidiary, Áreas. This agreement provides for Elior's stake in Áreas to be increased to 100% and for Emesa to become a significant shareholder of Elior.

The acquisition price will be settled by way of a €46 million cash payment and the allocation to Emesa of 9 million Elior shares (including a maximum of 2 million existing shares). On completion of the transaction, all of the existing agreements between Áreas' shareholders will be terminated. As a result of this agreement, the €160 million concerning Áreas that was recognized under liabilities relating to share acquisitions in the consolidated balance sheet at December 31, 2014 was increased to €190 million at March 31, 2015.

b. Dividend payment by Elior on April 10, 2015

The dividend for the fiscal year ended September 30, 2014 – which corresponded to €32.9 million (€0.20 per share) and was approved by the Company's shareholders at the March 10, 2015 Annual General Meeting – was paid on April 10, 2015. This amount was recorded under "Other current liabilities" in the balance sheet at March 31, 2015.

c. Sale on May 7, 2015 of 16.4 million Elior shares by investment funds managed by Charterhouse Capital Partners and Chequers Partenaires

On May 7, 2015, investment funds managed by Charterhouse Capital Partners and Chequers Partenaires announced that they had sold 16.4 million Elior shares (representing around 10% of the Company's capital) through an expedited private placement. Together, these funds held 41.25% of Elior's capital at end-March 2015.

d. Repayment and refinancing on May 22, 2015 of the THS acquisition debt

With a view to refinancing the THS acquisition debt, on May 22, 2015 the Group signed a sixth amendment to the SFA, which provides for (i) Elior S.A. to issue bonds representing a principal amount of around USD 100 million as part of a private placement to be taken up by an investor, (ii) a new Facility I loan to be set up under the SFA, representing a principal amount of USD 50 million, and (iii) a new Uncommitted Revolving Facility to be put in place under the SFA, representing a principal amount of USD 150 million.

Elior S.A.'s bond issue – representing a maximum principal amount of USD 100 million – will pay interest based on the six-month USD Libor plus a margin of 2.15% per annum at the time of issue, which may subsequently be increased to a maximum of 2.60% per annum. The bonds will have a 7-year maturity and will not be covered by any collateral or personal guarantees.

The new Facility I loan will have the same 5-year maturity as the previous facility. Interest payable on the loan will be based on the USD Libor plus a margin of 1.70% per annum at inception, which may subsequently vary depending on the leverage ratio and the amount drawn down under the loan, but may not exceed 1.95% per annum. This loan will be subject to all the other terms and conditions of the SFA.

The new Uncommitted Revolving Facility will also have the same 5-year maturity as the previous facility. If it is drawn down, the interest payable will be based on the USD Libor plus a margin of 1.30% per annum at the time the facility is set up, which may subsequently vary depending on the leverage ratio and the amount drawn down, but may not exceed 1.95% per annum. This facility will be subject to all the other terms and conditions of the SFA.

These new financing arrangements will notably permit the repayment of the debt taken out by THS in 2013 (with no recourse against Elior) when it was acquired by Elior, which will be replaced by an intra-group loan. Once this debt has been repaid, the entities making up the THS group will be considered as Elior SA subsidiaries for the purposes of the SFA.

Elior SA

Condensed Interim Consolidated Financial Statements
For the Six-Month Periods Ended March 31, 2015 and 2014

The English-language version of this document is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions expressed therein, the original language version of the document in French takes precedence over this translation.

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1. Consolidated Income Statement and Statement of Comprehensive Income

a. Consolidated Income Statement

(in € millions)	Note	Six months ended March 31, 2015 Unaudited	Six months ended March 31, 2014 Unaudited
Revenue	**9.a**	**2,822.7**	**2,671.9**
Purchase of raw materials and consumables		(866.9)	(808.3)
Personnel costs		(1,294.3)	(1,241.2)
Other operating expenses		(420.3)	(391.1)
Taxes other than on income (*)		(37.3)	(36.0)
Depreciation, amortization and provisions for recurring operating items		(77.7)	(69.7)
Recurring operating profit		**126.2**	**125.5**
Share of profit of associates		0.6	0.8
Recurring operating profit including share of profit of associates	**9.a**	**126.7**	**126.3**
Other income and expenses, net	11	(16.7)	(9.4)
Operating profit including share of profit of associates		**110.0**	**116.9**
Financial expenses	17	(43.4)	(79.6)
Financial income	17	1.2	2.7
Profit before income tax		**67.9**	**40.0**
Income tax	12	(30.1)	(22.5)
Profit for the period		**37.7**	**17.5**
Attributable to non-controlling interests		**(2.5)**	**(3.3)**
Attributable to owners of the parent		**40.2**	**20.8**
Basic earnings per share (in €)		0.24	0.19
Diluted earnings per share (in €)		0.24	0.19

(*) The figure for the six months ended March 31, 2014 has been restated compared with the initially reported figure due to the Group's retrospective application of IFRIC 21 (see Note 5 to these consolidated financial statements).

b. Consolidated Statement of Comprehensive Income

(in € millions)	Six months ended March 31, 2015 Unaudited	Six months ended March 31, 2014 Unaudited
Profit for the period	**37.7**	**17.5**
Items that will not be reclassified subsequently to profit or loss		
Post-employment benefit obligations		0.2
Items that may be reclassified subsequently to profit or loss		
Financial instruments	5.4	1.7
Currency translation differences	(12.6)	(1.0)
Income tax	(1.9)	(0.6)
Total other comprehensive income/(expense) for the period	**(9.0)**	**0.3**
Total comprehensive income for the period	**28.7**	17.7
Attributable to:		
- Owners of the parent	28.0	22.0
- Non-controlling interests	0.7	(4.2)

2. Consolidated Balance Sheet

a. Assets

(in € millions)	Note	At March 31, 2015 Unaudited	At September 30, 2014 Audited	At March 31, 2014 Unaudited
Goodwill	14	2,374.5	2,360.2	2,357.2
Intangible assets	15	305.4	260.2	227.4
Property, plant and equipment	16	513.6	498.4	498.4
Non-current financial assets		32.9	31.8	37.8
Investments in associates		2.4	1.9	6.9
Fair value of derivative financial instruments (*)		0.0	0.0	0.4
Deferred tax assets		248.0	249.2	219.1
Non-current assets		**3,476.8**	**3,401.7**	**3,347.2**
Inventories		96.5	94.5	93.8
Trade and other receivables		1,047.5	907.8	1,005.5
Current income tax assets		24.8	15.8	13.9
Other current assets		59.1	49.0	49.4
Short-term financial receivables (*)		6.9	5.9	5.2
Cash and cash equivalents (*)		158.8	220.2	230.6
Current assets		**1,393.7**	**1,293.2**	**1,398.5**
Total assets		**4,870.5**	**4,694.9**	**4,745.7**

(*) Included in the calculation of net debt

b. Equity and Liabilities

(in € millions)	Note	At March 31, 2015 Unaudited	At September 30, 2014 Audited	At March 31, 2014 Unaudited
Share capital		1.6	1.6	1.1
Reserves and retained earnings		1,250.1	1,280.2	607.2
Non-controlling interests		31.9	45.0	64.0
Total equity	**4**	**1,283.7**	**1,326.8**	**672.3**
Long-term debt (*)	17	1,616.4	1,498.5	2,366.0
Fair value of derivative financial instruments (*)		20.6	27.3	24.2
Non-current liabilities relating to share acquisitions	20	212.3	178.2	39.1
Deferred tax liabilities		55.2	49.9	40.0
Provisions for pension and other post-employment benefit obligations	18	106.3	106.2	97.9
Long-term provisions	18	14.8	10.5	12.4
Non-current liabilities		**2,025.6**	**1,870.5**	**2,579.5**
Trade and other payables		671.0	687.0	653.0
Due to suppliers of non-current assets		20.9	24.6	24.4
Accrued taxes and payroll costs		565.4	553.6	549.6
Current income tax liabilities		56.1	26.7	20.6
Short-term debt (*)	17	112.5	90.0	115.8
Current liabilities relating to share acquisitions		10.1	8.1	18.9
Short-term provisions	18	68.5	84.8	91.4
Other current liabilities		56.7	22.9	20.3
Current liabilities		**1,561.2**	**1,497.6**	**1,494.0**
Total liabilities		**3,586.8**	**3,368.1**	**4,073.4**
Total equity and liabilities		**4,870.5**	**4,694.9**	**4,745.7**
(*) Included in the calculation of net debt		1,583.7	1,389.6	2,269.6
Net debt excluding fair value of derivative financial instruments and debt issuance costs		1,586.0	1,380.4	2,273.4

3. Consolidated Cash Flow Statement

(in € millions)	Six months ended March 31, 2015 Unaudited	Six months ended March 31, 2014 Unaudited
Cash flows from operating activities		
Recurring operating profit including share of profit of associates	126.7	126.3
Amortization and depreciation	74.9	67.3
Provisions	2.8	2.4
EBITDA	**204.4**	**196.0**
Change in working capital	(121.7)	(86.8)
Interest paid	(38.9)	(74.1)
Tax paid	(9.9)	0.1
Other cash movements	(46.8)	(24.0)
Net cash from/(used in) operating activities	**(12.9)**	**11.3**
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(94.6)	(101.3)
Proceeds from sale of property, plant and equipment and intangible assets	4.4	5.7
Purchases of non-current financial assets	(0.7)	(3.0)
Proceeds from sale of non-current financial assets	0.0	0.4
Acquisition/sale of shares in consolidated companies, net of cash acquired/divested	(19.3)	(1.8)
Net cash used in investing activities	**(110.1)**	**(100.0)**
Cash flows from financing activities		
Movements in share capital of the parent and in shareholder loans	0.2	0.0
Dividends paid to non-controlling interests	(8.2)	(0.4)
Proceeds from borrowings	1,083.0	186.4
Repayments of borrowings	(964.7)	(35.9)
Net cash from financing activities	**110.3**	**150.0**
Effect of exchange rate and other changes	(45.6)	(2.8)
Net increase/(decrease) in cash and cash equivalents	**(58.3)**	**58.6**
Cash and cash equivalents at beginning of period	**188.8**	**130.1**
Cash and cash equivalents at end of period	**130.5**	**188.7**

Bank overdrafts repayable on demand and current accounts held for treasury management purposes are an integral part of the Group's cash management and are therefore deducted from cash in the cash flow statement whereas they are classified as short-term debt in the balance sheet. These items represent the sole difference between the cash and cash equivalents figure presented under assets in the balance sheet and the amount presented in the cash flow statement under "Cash and cash equivalents at end of period".

4. Consolidated Statement of Changes in Equity

(in € millions)	Number of shares	Share capital	Additional paid-in capital and other reserves	Profit for the period attributable to owners of the parent	Translation reserve	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at September 30, 2013 (1)	**108,820,358**	**1.1**	**570.6**	**8.7**	**6.3**	**586.6**	**68.4**	**655.0**
Profit for the period				20.8		20.8	(3.3)	17.5
Post-employment benefit obligations			0.2			0.2		0.2
Changes in fair value of financial instruments			1.1			1.1	0.0	1.1
Currency translation differences					(0.1)	(0.1)	(0.9)	(1.0)
Comprehensive income for the period			**1.3**	**20.8**	**(0.1)**	**22.0**	**(4.2)**	**17.7**
Appropriation of prior-period profit			8.7	(8.7)				
Dividends paid			(0.3)			(0.3)	(0.1)	(0.4)
Other movements			(0.1)			(0.1)	0.0	(0.1)
Balance at March 31, 2014	**108,820,358**	**1.1**	**580.2**	**20.8**	**6.2**	**608.3**	**64.0**	**672.3**
Balance at September 30, 2014	**164,370,556**	**1.6**	**1,234.8**	**47.8**	**(2.4)**	**1,281.8**	**45.0**	**1,326.8**
Profit for the period				40.2		40.2	(2.5)	37.7
Changes in fair value of financial instruments			3.6			3.6		3.6
Currency translation differences					(15.8)	(15.8)	3.2	(12.6)
Comprehensive income for the period			**3.6**	**40.2**	**(15.8)**	**28.0**	**0.7**	**28.7**
Appropriation of prior-period profit			47.8	(47.8)		0.0		0.0
Capital increase	37,050		0.2			0.2		0.2
Dividends paid			(33.4)			(33.4)	(7.6)	(41.1)
Other movements (2)			(24.8)			(24.8)	(6.1)	(30.9)
Balance at March 31, 2015	**164,407,606**	**1.6**	**1,228.1**	**40.2**	**(18.2)**	**1,251.8**	**31.9**	**1,283.7**

(1) Including the impact of the application of IFRIC 21 (see Note 5 to these consolidated financial statements), representing a positive amount of €6.0 million before tax (€4.2 million after tax).
(2) "Other movements" for the year ended March 31, 2015 concern the remeasurement of liabilities relating to share acquisitions with respect to the 38.45% of Áreas' capital that Elior does not yet own (see Note 20 a).

Notes to the Condensed Interim Consolidated Financial Statements

1. General information

Elior S.A. (formerly Holding Bercy Investissement SCA) is a French joint stock corporation (*société anonyme*) registered and domiciled in France. Its headquarters are located at 61-69 rue de Bercy, Paris, France. At March 31, 2015, Elior was 41.25%-held by investment funds managed by Charterhouse Capital Partners and Chequers Partenaires, 20.08%-held by Bagatelle Investissement et Management – "BIM" (which is wholly owned by Robert Zolade) and 38.67%-held by private and public investors following Elior's admission to trading on Euronext Paris on June 11, 2014.

The Elior Group is a major player in Europe's contracted food and support services industry. It operates its businesses of Contract Catering & Support Services and Concession Catering & Travel Retail through companies based in 13 countries – mainly in the Eurozone, the United Kingdom, Latin America and the USA.

2. Basis of Preparation

The condensed interim consolidated financial statements for the six-month period ended March 31, 2015 have been prepared in accordance with IAS 34. These financial statements do not include all the information and disclosures required in accordance with IFRS for annual financial statements and should therefore be read in conjunction with the Group's annual consolidated financial statements for the fiscal year ended September 30, 2014, which were prepared in accordance with IFRS as adopted in the European Union.

The accounting policies used are the same as those applied in the annual financial statements at September 30, 2014 except for the changes in accounting method resulting from the first-time adoption of new standards and interpretations in the first quarter of 2014-2015 (see Note 5).

All of the standards and interpretations whose application was mandatory during the period and which have been adopted by the European Union have been applied in these financial statements.

The condensed interim consolidated financial statements were approved for issue by Elior's Board of Directors on May 28, 2015.

3. Significant Events

a. Acquisition and disposal of shares in consolidated companies

In October 2014 the Group acquired the entire capital of Lexington, a UK-based contract caterer. Lexington generates annual revenue of over £30 million in the Business & Industry market and has a major presence in the City of London. The acquisition was financed through an equity investment in Elior UK. Lexington has been fully consolidated in the Group's financial statements since October 1, 2014.

During the first half of 2013-2014, the main changes in the Group's scope of consolidation corresponded to the divestment in December 2013 of non-strategic concession catering operations in Morocco and Argentina, which generated annual revenue of around €20 million. For the six months ended March 31, 2014, these businesses contributed €2.9 million to consolidated revenue and €0.4 million to consolidated EBITDA.

b. Renegotiation of the Group's syndicated bank loans (5th amendment)

On December 10, 2014, the Group refinanced all of its credit facilities (term loans and revolving loans) under the Senior Facility Agreement pursuant to an amendment signed on December 3, 2014. This refinancing – which involved a total amount of €950 million – enabled the Group to (i) significantly lower the cost of its senior debt thanks to a reduction in the applicable interest margins, (ii) extend the maturity of this debt to 2019 and 2022 (for part of it), and (iii) obtain less strict financial and non-financial covenants. The €14 million in bank fees paid in connection with this amendment are being recognized in the income statement over the term of the new credit facilities.

4. Accounting Policies

The accounting policies adopted are the same as those used for the previous financial period except for (i) the accounting treatments described below and (ii) the change in accounting method arising from the Group's application of IFRIC 21 as described in Note 5 below.

For interim periods, taxes on income (other than the CVAE tax levied in France on value added generated by the business but including the regional IRAP tax applicable in Italy) are accrued using the tax rate that would be applicable to expected total annual profit. In these financial statements, the CVAE tax – which is included in income tax – and employee profit-sharing have been accrued based on half of the expected full-year charge.

No actuarial assessments of pension and other post-employment benefit obligations have been performed for these condensed interim consolidated financial statements. The related expense for the six-month periods ended March 31, 2014 and 2015 represents half of the expense calculated for the full years ended September 30, 2014 and 2015, respectively.

5. New Standards, Amendments and Interpretations

New Standards, Amendments and Interpretations Adopted by the European Union and Applied by the Group as from October 1, 2014

- IFRIC 21, "Levies", which is effective for annual periods beginning on or after June 17, 2014. IFRIC 21 – which is an interpretation of IAS 37 – states that a liability to pay a levy (i.e. tax other than on income) should be recognized on the basis of when the "obligating event" occurs (with "obligating event" defined as the activity that triggers the payment of the levy) and removes the option of deferring recognition. This interpretation primarily affects Elior's interim financial statements because the obligating events in the countries for which the impact of IFRIC 21 has been deemed material mainly occur on January 1. Consequently, in the financial statements at March 31, 2015 the Group has restated through the income statement provisions for taxes other than on income representing an aggregate negative amount of €4.4 million pre-tax and €3.1 million post-tax.

  In accordance with IFRIC 21, the change in accounting method has been applied retrospectively and therefore the first-half 2013-2014 income statement has been restated accordingly, representing negative pre- and post-tax amounts of €4.5 million and €3.2 million respectively. The impact on opening equity, as restated at September 30, 2013 and 2014, was a positive €6.0 million before tax and €4.2 million after tax.

  This change in accounting method had a positive effect on the income statement for the three months ended December 31, 2014, amounting to €2.9 million pre-tax and €2.0 million post-tax.

  The application of IFRIC 21 is expected to negatively impact the Group's financial statements for third-quarter 2014-2015 by a cumulative amount of around €2 million pre-tax (€1.5 million post-tax). A restatement of almost the same amount will be recorded for the comparable prior-year period. The total impact of IFRIC 21 for full-year 2014-2015 will be virtually nil.

The following new and revised standards are applicable by the Group as from October 1, 2014 but did not impact the condensed interim consolidated financial statements at March 31, 2015:

- IFRS 10, "Consolidated Financial Statements".
- IFRS 11, "Joint Arrangements".
- IFRS 12, “Disclosure of Interests in Other Entities” and amendments to IFRS 10, IFRS 11 and IFRS 12 “Transition Guidance”, which were adopted by the European Union in December 2012.
- Revised version of IAS 27, "Separate Financial Statements".
- Revised version of IAS 28, "Investments in Associates and Joint Ventures".
- Amendments to IAS 32, "Offsetting Financial Assets and Financial Liabilities", effective since January 1, 2014.
- Amendments to IAS 36, "Recoverable Amount Disclosures for Non-Financial Assets", effective since January 1, 2014.
- Amendments to IAS 39, "Novation of Derivatives and Continuation of Hedge Accounting", effective since January 1, 2014.

The other standards, amendments and interpretations that have been issued but are not yet effective are not expected to have a material impact on the consolidated financial statements and are listed below:

- Amendments to IFRS 7, "Disclosures – Offsetting Financial Assets and Financial Liabilities".

The Group did not early adopt any standards or amendments during the period under review.

6. Use of Estimates

The preparation of interim consolidated financial statements requires Management of both the Group and its subsidiaries to use certain estimates and assumptions that may have an impact on the reported values of assets, liabilities and contingent liabilities at the balance sheet date, and on items of income and expense for the period.

These estimates and assumptions – which are based on historical experience and other factors believed to be reasonable in the circumstances – are used to assess the carrying amount of assets and liabilities. Actual results may differ significantly from these estimates if different assumptions or circumstances apply.

In preparing these condensed interim consolidated financial statements, the significant judgments made by Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended September 30, 2014, with the exception of changes in estimates that are required in determining the provision for income taxes.

7. Exchange Rates

For the six-month periods ended March 31, 2015 and 2014, the balance sheets, income statements, and cash flow statements of certain subsidiaries whose functional currency differs from the presentation currency used in Elior's accounts have been translated (i) at the exchange rate prevailing at March 31, 2015 and 2014 respectively for the balance sheet, and (ii) at the average exchange rate for the period for the income statement and cash flow statement, except in the case of significant fluctuations in exchange rates. Currency translation differences have been recorded in equity.

The main exchange rates used in the consolidated financial statements for the six-month periods ended March 31, 2015 and 2014 were based on Paris stock exchange rates and were as follows:

	March 31, 2015		March 31, 2014	
	Period-end rate	Average rate	Period-end rate	Average rate
- €/US $:	1.0731	1.1888	1.3771	1.3659
- €/£:	0.7243	0.7667	0.8268	0.8346
- €/MXN:	16.38	17.10	17.98	17.93
- €/CLP:	670.15	725.61	755.34	729.36

8. Seasonality of Operations

Revenue and recurring operating profit generated by the majority of the Group's operations are subject to seasonal fluctuations. During the summer, the Concession Catering & Travel Retail business line typically experiences a significant increase in revenue and, notably due to the effect of this increase in revenue on the absorption of fixed costs, a more than proportional rise in both the amount of recurring operating profit and recurring operating profit as a percentage of revenue. In contrast, during the same period the Contract Catering & Support Services business line experiences lower business volumes and therefore a more than proportional decrease in its recurring operating profit, both in absolute value terms and as a percentage of revenue, due to the fact that a large number of employees and students are on vacation in the summer.

At Group level, these seasonal fluctuations do not have any impact on reported half-yearly revenue due to offsetting effects between the Group's two business lines. Each half year accounts for approximately 50% of the Group's total annual revenue, excluding the effect of changes in consolidation scope.

In terms of recurring operating profit, seasonal fluctuations result in a higher figure being recorded during the second half of the year due to higher revenue and margins in the Concession Catering & Travel Retail business line. The proportion of recurring operating profit recorded during the first and second half of each fiscal year represents approximately 40% and 60% respectively.

In addition, changes in the number of working days and the dates on which bank or school holidays fall, as well as changes in the scope of consolidation, impact the period-on-period comparability of revenue and profitability for the Group's two business lines.
Net cash from operating activities is also subject to seasonal variations, which are mainly due to changes in working capital as:

- in the Concession Catering & Travel Retail business line, cash generated from changes in working capital requirement is directly linked to business volumes, which are lower in the first half of each fiscal year than in the second half; and
- in the Contract Catering & Support Services business line, the amount of trade receivables increases during the first half of each fiscal year as revenue invoiced to clients is at its peak during this period, and decreases during the second half when this segment's business volumes trough.

9. Segment Reporting

At March 31, 2015, the Group was structured into two main business lines: Contract Catering & Support Services, and Concession Catering & Travel Retail. The results and long-term assets of these business lines are broken down into operating segments that correspond to geographic regions and the segments used by management in making key operating decisions. These operating segments are as follows:

- For Contract Catering & Support Services: "France" and "International".
- For Concession Catering & Travel Retail: "France, Germany, Italy and Belgium" and "Spain, Portugal and the Americas".

Segment information also includes an operating segment called "Headquarters, holding companies and purchasing entities".

a. Income statement information

The tables below present detailed income statement information by operating segment as well as a breakdown of consolidated revenue by client market and geographic region for the six-month periods ended March 31, 2015 and 2014.

– Income statement information by operating segment

Six months ended March 31, 2015 Unaudited (in € millions)	**Contract Catering & Support Services**			**Concession Catering & Travel Retail**			Headquarters, holding companies and purchasing entities	**Group total**
	France	International	**Total**	France, Germany, Italy and Belgium	Spain, Portugal and the Americas	**Total**		
Revenue	**1,124.1**	**979.4**	**2,103.5**	**432.5**	**286.6**	**719.2**	**0.0**	**2,822.7**
Recurring operating profit/(loss) including share of profit of associates	86.4	57.1	**143.4**	(3.5)	(8.3)	**(11.8)**	(4.9)	**126.7**
Recurring operating profit/(loss) as a % of revenue	*7.7%*	*5.8%*	***6.8%***	*(0.8)%*	*(2.9)%*	***(1.6)%***	**(0.2)%**	***4.5%***
Other income and expenses, net	0.1	(4.9)	**(4.8)**	0.0	(0.2)	**(0.2)**	(11.7)	**(16.7)**
Operating profit/(loss)	86.4	52.2	**138.6**	(3.5)	(8.5)	**(12.0)**	(16.6)	**110.0**
Net financial expense								**(42.2)**
Income tax								**(30.1)**
Loss for the period attributable to non-controlling interests								**(2.5)**
Profit for the period attributable to owners of the parent								**40.2**
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(17.5)	(14.6)	**(32.1)**	(22.6)	(19.1)	**(41.7)**	(1.0)	**(74.9)**
Other expenses with no cash impact	(1.7)	(2.5)	**(4.1)**	0.4	0.7	**1.1**	0.2	**(2.8)**
EBITDA	105.5	74.2	**179.7**	18.7	10.0	**28.7**	(4.0)	**204.4**

Six months ended March 31, 2014 Unaudited (in € millions)	Contract Catering & Support Services			Concession Catering & Travel Retail			Headquarters, holding companies and purchasing entities	Group total
	France	International	Total	France, Germany, Italy and Belgium	Spain, Portugal and the Americas	Total		
Revenue	**1,113.1**	**877.3**	**1,990.3**	**412.5**	**269.0**	**681.5**	**0.0**	**2,671.9**
Recurring operating profit/(loss) including share of profit of associates	86.4	54.6	**141.0**	(3.4)	(6.3)	**(9.7)**	(4.9)	**126.3**
Recurring operating profit/(loss) as a % of revenue	*7.8%*	*6.2%*	***7.1%***	*(0.8)%*	*(2.4)%*	***(1.4)%***	**(0.2)%**	***4.7%***
Other income and expenses, net	(0.2)	(2.7)	**(3.0)**	(0.7)	(2.5)	**(3.3)**	(3.2)	**(9.4)**
Operating profit/(loss)	86.2	51.9	**138.0**	(4.1)	(8.8)	**(13.0)**	(8.1)	**116.9**
Net financial expense								**(76.9)**
Income tax								**(22.5)**
Loss for the period attributable to non-controlling interests								**(3.3)**
Profit for the period attributable to owners of the parent								**20.8**
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(16.6)	(13.7)	**(30.3)**	(19.8)	(16.5)	**(36.2)**	(0.8)	**(67.3)**
Other expenses with no cash impact	(1.8)	(0.9)	**(2.7)**	0.5	(0.3)	**0.2**	0.1	**(2.4)**
EBITDA	104.7	69.2	**173.9**	15.9	10.4	**26.3**	(4.2)	**196.0**

– Revenue by business line and client market

(in € millions)	Six months ended March 31, 2015 Unaudited	% of total revenue	Six months ended March 31, 2014 Unaudited	% of total revenue	Year-on-year change	% change
Contract Catering & Support Services						
Business & Industry	947.1	33.6%	876.5	32.8%	70.6	+8.1%
Education	624.7	22.1%	613.0	22.9%	11.7	+1.9%
Healthcare	531.7	18.8%	500.9	18.7%	30.8	+6.1%
Sub-total: Contract Catering & Support Services	**2,103.5**	**74.5%**	**1,990.3**	**74.5%**	**113.2**	**+5.7%**
Concession Catering & Travel Retail						
Airports	291.2	10.3%	268.4	10.0%	22.8	+8.5%
Motorways	248.4	8.8%	232.0	8.7%	16.4	+7.1%
City Sites & Leisure	179.6	6.4%	181.1	6.8%	(1.5)	-0.8%
Sub-total: Concession Catering & Travel Retail	**719.2**	**25.5%**	**681.5**	**25.5%**	**37.7**	**+5.5%**
Total	**2,822.7**	**100.0%**	**2,671.9**	**100.0%**	**150.8**	**+5.6%**

– Revenue by geographic region

(in € millions)	Six months ended March 31, 2015 Unaudited	% of total revenue	Six months ended March 31, 2014 Unaudited	% of total revenue	Year-on-year change	% change
France	1,437.1	50.9%	1,425.2	53.3%	11.9	+0.8%
Europe excluding France	1,039.6	36.8%	956.5	35.8%	83.1	+8.7%
Other countries	346.0	12.3%	290.2	10.9%	55.8	+19.2%
Total	**2,822.7**	**100.0%**	**2,671.9**	**100.0%**	**150.8**	**+5.6%**

The definition of client markets and the basis of measurement of segment profit or loss are unchanged from the annual financial statements for the year ended September 30, 2014.

b. Segment non-current assets

(in € millions)	Contract Catering & Support Services			Concession Catering & Travel Retail				
Six months ended March 31, 2015 Unaudited	France	International	**Total**	France, Germany, Italy and Belgium	Spain, Portugal and the Americas	**Total**	Headquarters, holding companies and purchasing entities	**Group total**
Revenue	1,124.1	979.4	**2,103.5**	432.5	286.6	**719.2**	0.0	**2,822.7**
Non-current assets	1,189.3	834.2	**2,023.5**	705.1	442.5	**1,147.6**	22.4	**3,193.5**

(in € millions)	Contract Catering & Support Services			Concession Catering & Travel Retail				
Six months ended March 31, 2014 Unaudited	France	International	**Total**	France, Germany, Italy and Belgium	Spain, Portugal and the Americas	**Total**	Headquarters, holding companies and purchasing entities	**Group total**
Revenue	1,113.1	877.3	**1,990.3**	412.5	269.0	**681.5**	0.0	**2,671.9**
Non-current assets	1,186.0	775.4	**1,961.4**	695.6	406.0	**1,101.5**	20.1	**3,083.0**

10. Business Combinations

In October 2014 the Group acquired full control of Lexington, a UK-based contract caterer. Lexington generates annual revenue of around £30 million and operates primarily in the Business & Industry market in the City of London.

The acquisition was carried out by Elior UK and was financed out of Group cash.

Lexington has been fully consolidated since October 1, 2014. Goodwill recognized on the acquisition totaled €13.2 million, following the assignment of €11.1 million of the purchase price to the company's identifiable assets and liabilities (brand and customer relationships).

For the six months ended March 31, 2015, Lexington contributed €24.8 million to consolidated revenue and €1.5 million to consolidated EBITDA.

11. Other Income and Expenses, Net

This item represented a net expense of €16.7 million for the six months ended March 31, 2015, chiefly reflecting (i) an aggregate €4.1 million in amortization of intangible assets (brand and customer relationships) recognized on the first-time consolidation of THS in the United States and Lexington in the United Kingdom, as part of the purchase price allocation processes, (ii) the expensing of €8.6 million worth of debt issuance costs that were previously capitalized and unamortized, corresponding to the amounts repaid under the SFA following the refinancing of the Group's senior debt carried out in December 2014, and (iii) the recognition of a €3.0 million provision for restructuring costs.

For the six months ended March 31, 2014, “Other income and expenses, net” represented a net expense of €9.4 million and primarily included (i) a €2.7 million amortization charge for the period on the intangible assets (customer relationships) recognized as part of the THS purchase price allocation process, (ii) the €2.5 million loss recognized on the divestment of the Group's concession catering operations in Argentina and Morocco, (iii) the discount fee paid on the sale in March 2014 of the 2013 CICE tax receivable, and (iv) costs and fees incurred in connection with the Company's IPO.

12. Income Tax

Income tax expense, excluding the CVAE tax on value added generated by the business, is recognized based on Management’s estimate of the weighted average annual income tax rate expected for the full fiscal year. The estimated average annual tax rate used for the year ending September 30, 2015 is 30%, unchanged from the estimated rate applied for the six months ended March 31, 2014.

The CVAE tax is accrued based on half of the expected annual CVAE charge. The estimated CVAE charge for the six months ended March 31, 2015 amounted to €15.3 million (€14.6 million for the corresponding prior-year period).

13. Dividends

At the March 10, 2015 Annual General Meeting, the Company's shareholders approved an aggregate dividend of €32.9 million which was paid on April 10, 2015. This amount was recorded under "Other current liabilities" in the balance sheet at March 31, 2015.

No dividend for the year ended September 30, 2013 was either approved or paid by Elior (formerly HBI) during the six months ended March 31, 2014.

14. Goodwill

(in € millions)	At March. 31, 2015	At Sept. 30, 2014	At March 31, 2014	At Sept. 30, 2013
Elior Entreprises	574.7	574.7	574.7	574.7
Other – France (Enseignement, Santé and Services)	499.5	499.5	499.5	499.5
Sub-total – France	**1,074.2**	**1,074.2**	**1,074.2**	**1,074.2**
International	**610.8**	**596.3**	**596.2**	**650.7**
Contract Catering & Support Services	**1,685.0**	**1,670.5**	**1,670.3**	**1,724.8**
France	423.2	423.2	423.2	423.2
Belgium, Germany and Italy	86.8	86.8	83.7	83.7
Sub-total – France, Belgium, Germany and Italy	**510.0**	**510.0**	**506.9**	**506.9**
Spain, Portugal and the Americas	**179.5**	**179.7**	**180.0**	**179.9**
Concession Catering & Travel Retail	**689.5**	**689.7**	**686.9**	**686.8**
Group total	**2,374.5**	**2,360.2**	**2,357.2**	**2,411.6**

No goodwill impairment losses were recognized in either of the interim periods under review.

The increase in goodwill at March 31, 2015 compared with September 30, 2014 was mainly due to the €13.2 million in goodwill recognized on the October 1, 2014 acquisition of Lexington following the provisional allocation of €11.1 million of the purchase price to the company's identifiable intangible assets (brand and customer relationships).

The decrease in goodwill at March 31, 2014 compared with September 30, 2013 corresponded to changes in the value of the goodwill recognized on the acquisition of THS in the United States. These changes arose from the purchase price allocation process, during which €78.7 million provisionally recognized as goodwill was reallocated to identifiable intangible assets (customer relationships) based on a valuation performed by an independent valuer. The intangible assets are being amortized through the income statement over a period of 15 years. Excluding the deferred tax liability recognized, the net impact on goodwill of this reallocation amounted to €54.5 million.

15. Intangible Assets

(in € millions)	At Sept. 30, 2014	Additions	Disposals	Other movements (2)	At March 31, 2015
Concession rights	163.6	5.6	0.0	12.8	182.0
Assets operated under concession arrangements (1)	36.3	0.0	0.0	0.0	36.3
Trademarks	34.3	0.1	(0.0)	4.7	39.2
Software	97.1	3.2	(0.6)	6.6	106.2
Prepayments for intangible assets	13.8	4.2	(0.1)	(3.5)	14.4
Other	107.9	6.9	(0.0)	23.4	138.2
Gross value	**453.0**	**20.1**	**(0.7)**	**44.0**	**516.4**
Concession rights	(42.0)	(3.9)	0.0	(1.8)	(47.6)
Assets operated under concession arrangements (1)	(36.9)	(0.0)	0.0	0.0	(36.9)
Trademarks	(11.0)	(0.6)	0.0	(0.3)	(11.9)
Software	(76.0)	(4.6)	0.5	(0.5)	(80.6)
Other	(26.9)	(4.5)	0.0	(2.5)	(34.0)
Total amortization	**(192.8)**	**(13.6)**	**0.5**	**(5.1)**	**(211.0)**
Carrying amount	**260.2**	**6.5**	**(0.2)**	**38.9**	**305.4**

(1) These assets reflect the restatement of the three-way finance leases entered into concerning central kitchen facilities in the Group's Education sector.

(2) "Other movements" primarily correspond to (i) currency translation differences due to the change in the US$-€ exchange rate, and (ii) the acquisition of Lexington.

(in € millions)	At Sept. 30, 2013	Additions	Disposals	Other movements (2)	At March 31, 2014
Concession rights	102.0	8.9	(0.9)	11.8	121.8
Assets operated under concession arrangements (1)	36.3	0.0	0.0	0.0	36.3
Trademarks	33.8	0.1	(0.0)	(0.1)	33.8
Software	90.8	2.1	(0.3)	1.1	93.7
Prepayments for intangible assets	26.2	8.7	0.0	(15.5)	19.3
Other	19.8	0.1	(0.1)	80.3	100.1
Gross value	**308.8**	**20.0**	**(1.2)**	**77.6**	**405.1**
Concession rights	(37.3)	(2.2)	0.3	5.2	(34.1)
Assets operated under concession arrangements (1)	(36.2)	(0.4)	0.0	(0.0)	(36.6)
Trademarks	(9.8)	(0.6)	0.0	0.0	(10.3)
Software	(69.3)	(4.2)	0.3	(0.0)	(73.3)
Other	(12.7)	(3.0)	0.1	(7.8)	(23.4)
Total amortization	**(165.3)**	**(10.4)**	**0.6**	**(2.5)**	**(177.6)**
Carrying amount	**143.4**	**9.6**	**(0.6)**	**75.0**	**227.4**

(1) These assets reflect the restatement of the three-way finance leases entered into concerning central kitchen facilities in the Group's Education sector.

(2) "Other movements" primarily reflect the final purchase price allocation for the THS acquisition in the USA as well as fair value adjustments to identifiable intangible assets (customer relationships).

16. . Property, Plant and Equipment

(in € millions)	At Sept. 30, 2014	Additions	Disposals	Other movements	At March 31, 2015
Land	3.7	0.0	0.0	0.1	3.8
Buildings	161.7	1.9	(1.2)	3.5	165.9
Technical installations	770.9	35.2	(18.1)	8.3	796.2
Other items of property, plant and equipment	493.5	21.7	(16.2)	15.8	514.9
Assets under construction	14.7	13.4	(1.9)	(4.0)	22.2
Prepayments to suppliers of property, plant and equipment	2.3	0.6	(0.3)	(1.6)	1.0
Gross value	**1,446.8**	**72.8**	**(37.7)**	**22.1**	**1,503.9**
Buildings	(93.7)	(5.2)	1.1	(0.2)	(98.0)
Technical installations	(530.9)	(36.5)	18.2	(3.4)	(552.6)
Other items of property, plant and equipment	(323.8)	(26.6)	17.1	(6.3)	(339.7)
Total depreciation	**(948.5)**	**(68.3)**	**36.4**	**(9.9)**	**(990.3)**
Carrying amount	**498.4**	**4.4**	**(1.3)**	**12.1**	**513.6**

(in € millions)	At Sept. 30, 2013	Additions	Disposals	Other movements	At March 31, 2014
Land	3.2	0.0	(0.1)	(0.0)	3.1
Buildings	151.0	4.0	(0.2)	0.1	154.9
Technical installations	765.1	41.0	(42.9)	(5.0)	758.2
Other items of property, plant and equipment	456.2	17.3	(10.4)	3.6	466.8
Assets under construction	22.6	12.8	(0.4)	(8.6)	26.3
Prepayments to suppliers of property, plant and equipment	2.5	1.0	(0.1)	(1.7)	1.7
Gross value	**1,400.6**	**76.1**	**(54.1)**	**(11.5)**	**1,411.0**
Buildings	(85.1)	(4.8)	0.3	0.0	(89.6)
Technical installations	(528.4)	(34.8)	41.8	5.9	(515.4)
Other items of property, plant and equipment	(297.6)	(22.8)	11.0	1.8	(307.6)
Total depreciation	**(911.1)**	**(62.4)**	**53.2**	**7.7**	**(912.6)**
Carrying amount	**489.5**	**13.6**	**(0.9)**	**(3.8)**	**498.4**

17. Borrowings, Loans and Net Financial Expense

The Group's debt can be analyzed as follows:

(in € millions)	Original currency	At March 31, 2015 Amortized cost (1)	At Sept. 30, 2014 Amortized cost (1)
Bank overdrafts	€	18.8	17.8
Other short-term debt (including short-term portion of obligations under finance leases)	€ / $	93.6	72.1
Sub-total – short-term debt		**112.5**	**90.0**
Syndicated loans (including THS loan)	€ / $	1,065.5	1,059.4
Other medium- and long-term borrowings	€	224.6	224.3
Factoring and securitized trade receivables	€	230.7	173.8
Other long-term debt (including obligations under finance leases)	€	95.6	41.0
Sub-total – long-term debt		**1,616.4**	**1,498.5**
Total debt		**1,728.8**	**1,588.5**

Following the fifth amendment to the SFA that came into effect on December 10, 2014, at March 31, 2015 the Group's debt under the SFA comprised:

- For Elior SA (formerly HBI):a senior bank loan totaling €200 million at March 31, 2015, of which €168 million is repayable in December 2019 and €32 million in December 2022. Interest is based on the Euribor plus standard margins of 1.9% and 2.75% for the €168 million and €32 million portions respectively. Elior SA also has a €300 million revolving credit facility (which can also be used by Elior Participations) that expires in December 2019 and carries a variable interest rate based on the Euribor plus a standard margin of 1.50%. If this revolving credit facility is not used, a commitment fee is payable which is calculated as a portion of the margin applied. At March 31, 2015 none of this facility had been drawn down by Elior SA.
- For Elior Participations SCA (formerly Elior SCA): a senior bank loan totaling €750 million at March 31, 2015, of which €632 million is repayable in December 2019 and €118 million in December 2022. Interest is based on the Euribor plus standard margins of 1.9% and 2.75% for the €632 million and €118 million portions respectively.

(in € millions)	Original currency	At March 31, 2014 Amortized cost (1)	At Sept. 30, 2013 Amortized cost (1)
Bank overdrafts	€ / $	21.2	30.6
Other short-term debt (including short-term portion of obligations under finance leases)	€	94.6	105.5
Sub-total – short-term debt		**115.8**	**136.1**
Syndicated loans (including THS loan)	€ / $	1,661.5	1,666.7
Other medium- and long-term borrowings	€	344.7	344.2
Factoring and securitized trade receivables	€	298.5	180.3
Other long-term debt (including obligations under finance leases)	€	61.2	49.6
Sub-total – long-term debt		**2,366.0**	**2,240.8**
Total debt		**2,481.7**	**2,376.9**

(1) The amortized cost of bank borrowings is calculated taking into account the bank fees payable on the Group's debt refinancing operations (Amend & Extend process for the SFA and the Elior Finance & Co notes issue), which represented a net amount of €22.9 million at March 31, 2015 and €27.5 million at March 31, 2014.

The Group’s net financial expense came to €42.2 million for the six months ended March 31, 2015, versus €76.9 million for the six months ended March 31, 2014, breaking down as follows:

(in € millions)	Six months ended March 31, 2015	Six months ended March 31, 2014
Interest expense on debt	(40.1)	(75.2)
Interest income on short-term investments	1.2	1.1
Other financial income and expenses (1)	(2.4)	(1.6)
Interest cost on post-employment benefit obligations (2)	(0.9)	(1.2)
Net financial expense	**(42.2)**	**(76.9)**
(1) Including:		
- Fair value adjustments on interest rate hedging instruments	*(0.1)*	*(1.0)*
- Disposal gains/(losses) and movements in provisions for impairment of shares in non-consolidated companies	*(0.0)*	*0.8*
- Amortization of debt issuance costs	*(2.3)*	*(2.2)*
- Net foreign exchange gain/(loss)	*(0.0)*	*0.8*

(2) This item relates to the discounting of pension and other post-employment benefit obligations.

The year-on-year decrease in net financial expense was primarily due to (i) the reduction in overall consolidated borrowings following the repayment of a portion of the Group's debt following Elior's IPO, and (ii) the lower interest margins obtained as a result of the amendments to the Senior Facility Agreement.

The Group's debt can be analyzed as follows by maturity:

(in € millions)	At March 31, 2015		At Sept. 30, 2014	
	Current	Non-current	Current	Non-current
Bank borrowings				
Medium-term borrowings – Elior SA (formerly HBI SCA)		200.0		200.1
Medium-term borrowings – Elior Participations SA and THS		883.9		872.2
Other medium- and long-term bank borrowings		82.7		28.2
Sub-total – bank borrowings	**0.0**	**1,166.6**	**0.0**	**1,100.5**
Other debt				
Elior Finance & Co SCA – May 2020 6.5% Senior Secured Notes		227.5		227.5
Finance leases	4.1	12.4	4.0	12.3
Other (1)	80.0	232.8	54.5	176.3
Bank overdrafts (2)	18.8		17.8	
Current accounts (2)	0.2		0.0	
Accrued interest on borrowings (2)	9.3		13.6	
Sub-total – other debt	**112.5**	**472.7**	**90.0**	**416.1**
Total debt	**112.5**	**1,639.3**	**90.0**	**1,516.6**

(1) Including liabilities under the receivables securitization program.
(2) Amounts deducted from cash and cash equivalents in the cash flow statement.

(in € millions)	At March 31, 2014		At Sept. 30, 2013	
	Current	Non-current	Current	Non-current
Bank borrowings				
Medium-term borrowings – Elior SA (formerly HBI SCA)		405.1		405.1
Medium-term borrowings – Elior Participations SA and THS		1,276.9		1,278.9
Other medium- and long-term bank borrowings		48.2		37.0
Sub-total – bank borrowings	**0.0**	**1,730.2**	**0.0**	**1,721.0**
Other debt				
Elior Finance & Co SCA – May 2020 6.5% Senior Secured Notes		350.0		350.0
Finance leases	4.5	12.4	4.6	11.6
Other (1)	69.3	300.9	51.5	181.3
Bank overdrafts (2)	21.2		30.6	
Current accounts (2)	0.7		1.1	
Accrued interest on borrowings (2)	20.1		48.3	
Sub-total – other debt	**115.8**	**663.3**	**136.1**	**542.9**
Total debt	**115.8**	**2,393.5**	**136.1**	**2,263.9**

(1) Including liabilities under the receivables securitization program.

(2) Amounts deducted from cash and cash equivalents in the cash flow statement.

The medium- and long-term bank borrowing contracts entered into by Elior SA and Elior Participations SA include financial covenants that could trigger compulsory early repayment in the event of non-compliance. The covenants are based on Elior's consolidated financial ratios and compliance checks are carried out at each half-yearly and annual closing. None of the covenants had been breached at either March 31, 2015 or 2014.

18. Short- and Long-Term Provisions

(in € millions)	At March 31, 2015	At Sept. 30, 2014
Commercial risks	2.8	2.6
Tax risks and employee-related disputes	28.4	29.0
Reorganization costs	6.8	18.1
Employee benefits	10.1	9.5
Other	20.5	25.4
Short-term provisions	**68.5**	**84.8**
Employee benefits	106.3	106.2
Non-renewal of concession contracts	8.6	7.9
Other	6.1	2.6
Long-term provisions	**121.1**	**116.6**
Total	**189.6**	**201.4**

(in € millions)	At March 31, 2014	At Sept. 30, 2013
Commercial risks	8.6	8.6
Tax risks and employee-related disputes	40.5	41.1
Reorganization costs	13.7	21.1
Employee benefits	8.9	8.7
Other	19.8	21.8
Short-term provisions	**91.4**	**101.3**
Employee benefits	97.9	97.6
Non-renewal of concession contracts	8.1	8.4
Other	4.3	5.1
Long-term provisions	**110.2**	**111.1**
Total	**201.7**	**212.4**

19. Related Party Transactions

On November 7, 2014, SOFIBIM – which is controlled by Robert Zolade and is a corporate director of Elior represented by Gilles Cojan – entered into a one-year consulting and services agreement with Elior to provide the Company with advisory and support services concerning external growth and/or partnerships in return for an annual fee of €160,000. SOFIBIM invoiced Elior €80,000 under this agreement for the six months ended March 31, 2015.

No other expenses or financial benefits were recorded during the first half of 2014-2015 in relation to Elior's executive officers.

20. Events after the Reporting Date

a Planned acquisition of the residual 38.45% minority interest in Áreas

On April 30, 2015, Elior announced that it had signed a memorandum of understanding with Corporación Empresarial Emesa (“Emesa”) to acquire the 38.45% minority interest held by Emesa in Elior's Spanish subsidiary, Áreas. This agreement provides for Elior’s stake in Áreas to be increased to 100% and for Emesa to become a significant shareholder of Elior.

The acquisition price will be settled by way of a €46 million cash payment and the allocation to Emesa of 9 million Elior shares (including a maximum of 2 million existing shares). On completion of the transaction, all of the existing agreements between Áreas’ shareholders will be terminated. As a result of this agreement, the €160 million concerning Áreas that was recognized under liabilities relating to share acquisitions in the consolidated balance sheet at December 31, 2014 was increased to €190 million at March 31, 2015.

b Dividend payment by Elior on April 10, 2015

The dividend for the fiscal year ended September 30, 2014 – which corresponded to €32.9 million (€0.20 per share) and was approved by the Company’s shareholders at the March 10, 2015 Annual General Meeting – was paid on April 10, 2015. This amount was recorded under "Other current liabilities" in the balance sheet at March 31, 2015.

c Sale on May 7, 2015 of 16.4 million Elior shares by investment funds managed by Charterhouse Capital Partners and Chequers Partenaires

On May 7, 2015, investment funds managed by Charterhouse Capital Partners and Chequers Partenaires announced that they had sold 16.4 million Elior shares (representing around 10% of the Company’s capital) through an expedited private placement. Together, these funds held 41.25% of Elior's capital at end-March 2015.

d Repayment and refinancing on May 22, 2015 of the THS acquisition debt

With a view to refinancing the THS acquisition debt, on May 22, 2015 the Group signed a sixth amendment to the SFA, which provides for (i) Elior S.A. to issue bonds representing a principal amount of around USD 100 million as part of a private placement to be taken up by an investor, (ii) a new Facility I loan to be set up under the SFA, representing a principal amount of USD 50 million, and (iii) a new Uncommitted Revolving Facility to be put in place under the SFA, representing a principal amount of USD 150 million.

Elior S.A.'s bond issue – representing a maximum principal amount of USD 100 million – will pay interest based on the six-month USD Libor plus a margin of 2.15% per annum at the time of issue, which may subsequently be increased to a maximum of 2.60% per annum. The bonds will have a 7-year maturity and will not be covered by any collateral or personal guarantees.

The new Facility I loan will have the same 5-year maturity as the previous facility. Interest payable on the loan will be based on the USD Libor plus a margin of 1.70% per annum at inception, which may subsequently vary depending on the leverage ratio and the amount drawn down under the loan, but may not exceed 1.95% per annum. This loan will be subject to all the other terms and conditions of the SFA.

The new Uncommitted Revolving Facility will also have the same 5-year maturity as the previous facility. If it is drawn down, the interest payable will be based on the USD Libor plus a margin of 1.30% per annum at the time the facility is set up, which may subsequently vary depending on the leverage ratio and the amount drawn down, but may not exceed 1.95% per annum. This facility will be subject to all the other terms and conditions of the SFA.

These new financing arrangements will notably permit the repayment of the debt taken out by THS in 2013 (with no recourse against Elior) when it was acquired by Elior, which will be replaced by an intra-group loan. Once this debt has been repaid, the entities making up the THS group will be considered as Elior SA subsidiaries for the purposes of the SFA.

RESPONSIBILITY FOR THE HALF YEAR FINANCIAL REPORT

I certify, to the best of my knowledge, that the condensed Consolidated Financial Statements for the first half 2014-2015 have been prepared in accordance with the applicable set of accounting standards and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation as a whole, and that the interim management report includes a fair review of the important events that have occurred during the first six months of the financial year end their impact on the half-year financial statements, major related parties transactions and the principal risks and uncertainties for the remaining six months of the financial year.

May 29, 2015

Chairman and Chief Executive Officer

Philippe Salle

Elior

Statutory Auditors' Review Report on the condensed interim consolidated financial statements

For the six-month period ended March 31, 2015

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-Sur-Seine Cedex

KPMG Audit IS
Immeuble le Palatin
3, cours du triangle
92939 Paris La Défense Cedex

This is a free translation to English of the statutory auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory Auditors' Review Report on the condensed interim consolidated financial statements

For the six-month period ended March 31, 2015

Elior
61/69 rue de Bercy
75012 Paris
To the Shareholders,

Following our appointment as statutory auditors by your General Meeting and in accordance with article L.451- 1-2 III of the French monetary and financial Code ("Code monétaire et financier"), we
hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of Elior, for the six-month period ended 31 March 2015;
- the verification of information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared in all material respects in accordance with IAS 34 - the standard of the IFRS as adopted by the European Union applicable to interim financial statements.

II. Specific verification

We have also verified information given in the interim management report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, May 29, 2015

The Statutory Auditors

PricewaterhouseCoopers Audit		KPMG Audit IS
Eric Bertier	Anne-Laure Camus-Julienne	François Caubrière