September 10, 2014

Elior SA

(formerly Holding Bercy Investissement SCA)

Interim Financial Report

October 1, 2013 – June 30, 2014

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61/69 rue de Bercy • 75589 Paris Cedex12 • Tél. : 01 40 19 50 78 • Fax : 01 40 19 51 65
www.elior.com

Elior
SA au capital de 1 642 126.85 Euros • RCS 408 168 003 Paris
Siège social : 61/69, rue de Bercy • 75012 Paris • Tél. : 01 40 19 50 00 • Fax : 01 43 41 42 36

1.1 ANALYSIS OF THE GROUP'S RESULTS FOR THE NINE-MONTH PERIODS ENDED JUNE 30, 2014 AND JUNE 30, 2013

	Nine months ended June 30,	
	2013	2014
	in € millions	
Revenue	**3,771.9**	**4,040.7**
Purchase of raw materials and consumables	(1,124.4)	(1,219.2)
Personnel costs	(1,786.2)	(1,870.9)
Other operating expenses	(522.5)	(589.7)
Taxes other than on income	(40.4)	(49.2)
Share of profit of associates	0.8	1.6
EBITDA	**299.2**	**313.4**
Depreciation, amortization and provisions for recurring operating items	(101.0)	(100.0)
Recurring operating profit including share of profit of associates	**198.2**	**213.4**
Other income and expenses, net	(36.5)	(53.2)
Operating profit including share of profit of associates	**161.7**	**160.2**
Net financial expense	(96.4)	(111.6)
Profit before income tax	**65.4**	**48.6**
Income tax	(27.1)	(29.1)
Profit for the period	**38.3**	**19.5**

1.1.1 Revenue

Consolidated revenue increased by €268.8 million, or 7.1%, to €4,040.7 million for the nine months ended June 30, 2014 from €3,771.9 million for the corresponding prior-year period. For information purposes, THS has been consolidated since April 15, 2013.

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

(in € millions)	9 months 2013-2014	9 months 2012-2013	Organic growth	Difference in working days	Changes in scope of consolidation	Currency effect	Total change
France	1,652.0	1,632.1	+1.9%	-0.7%	-	-	+1.2%
Other countries	1,300.0	1,075.0	+4.6%	-	+16.5%	-0.2%	+20.9%
Total Contract Catering & Support Services	2,951.9	2,707.1	+3.0%	-0.4%	+6.6%	-0.1%	+9.0%
France, Germany, Belgium and Italy	658.2	647.9	+2.6%	-	-1.0%	-	+1.6%
Áreas	430.6	416.8	+9.1%	-	-2.5%	-3.2%	+3.3%
Total Concession Catering & Travel Retail	1,088.7	1,064.7	+5.1%	-	-1.6%	-1.3%	+2.3%
Consolidated total	4,040.7	3,771.9	+3.6%	-0.3%	+4.3%	-0.4%	+7.1%

Consolidated revenue for the nine months ended June 30, 2014 totaled €4.040 billion, up 7.1% on the same period of FY 2012-2013. This performance reflects solid 3.6% organic growth as well as a 4.3% positive impact from changes in scope of consolidation, notably the acquisition of THS which has been consolidated since April 15, 2013.

The following table shows a revenue breakdown between the Group's six main markets, and the growth rates by market for the first nine months of FY 2013-2014 and FY 2012-2013.

(in € millions)	9 months 2013-2014	9 months 2012-2013	Organic growth	Difference in working days	Changes in scope of consolidation	Currency effect	Total change
Business & Industry	1,313.5	1,241.9	+3.9%	-0.3%	+2.2%	-	+5.8%
Education	884.3	814.0	+2.4%	-1.0%	+7.4%	-0.1%	+8.6%
Healthcare	754.1	651.2	+2.1%	-	+14.0%	-0.2%	+15.8%
Total Contract Catering & Support Services	2,951.9	2,707.1	+3.0%	-0.4%	+6.6%	-0.1%	+9.0%
Motorways	380.4	362.1	+5.7%	-	-	-0.6%	+5.1%
Airports	433.6	408.7	+10.0%	-	-2.0%	-1.9%	+6.1%
City Sites & Leisure	274.7	294.0	-2.4%	-	-3.0%	-1.1%	-6.6%
Total Concession Catering & Travel Retail	1,088.7	1,064.7	+5.1%	-	-1.6%	-1.3%	+2.3%
Consolidated total	4,040.7	3,771.9	+3.6%	-0.3%	+4.3%	-0.4%	+7.1%

1.1.1.1 Contract Catering & Support Services

Contract Catering & Support Services revenue rose 9.0% to €2,951.9 million for the nine months ended June 30, 2014. The segment's organic growth over the period came to 3.0%, led by business wins.

- **Business & Industry (3.9% organic growth)**: In France, Elior enjoyed strong business development which led to encouraging organic growth despite delays in the start-up of certain new contracts. Organic growth was also robust in international Business & Industry markets as a result of new contracts signed in Spain, the start-up of the Itinere contract in Italy, and a rebound both in business wins and revenue from existing contracts during the third quarter in the United Kingdom. The main new business won so far this fiscal year includes contracts with EDF, Carrefour's head office in Massy, CACEIS bank and CEA Saclay in France, Bank of England and BAE Portsmouth in the United Kingdom, Banca d'Italia in Italy, and Seat Matorell in Spain.

- **Education (2.4% organic growth)**: Revenue growth in the Education market reflects the Group's expansion in France and the United Kingdom, which was able to offset the slowdown experienced in Southern Europe. Business was also buoyed during the period by new contracts won in FY 2012-2013 in all of the European countries in which we operate, including with schools in Thiais, Le Bouscat, Les Mureaux and Taverny in France, the municipalities of Piacenza and Prato in Italy, state schools in Catlonia, Extremadura and Andalusia in Spain, and Chichester and London South Bank universities in the United Kingdom.

- **Healthcare (2.1% organic growth)**: Elior continued to record overall growth in the Healthcare market, with ongoing satisfactory business development, notably thanks to contract wins in Spain (Valencia general hospital) and the United Kingdom (St Barts NHS hospital and Nottingham University Hospital). Meanwhile, in France we signed new contracts with the Arnault Tzanck center in Saint Laurent du Var and six Médipole group establishments. This new business helped to offset the slight erosion in revenue from existing contracts in Spain and Italy.

1.1.1.2 Concession Catering & Travel Retail

Concession Catering & Travel Retail revenue increased by 2.3% to €1,088.7 million for the nine months ended June 30, 2014, with organic growth of 3.0%. The pace of growth accelerated during the last three months of the period, driven by the ramp-up of business in the United States and a sharp increase in motorway and airport users in Europe. Changes in scope of consolidation trimmed 1.6% off revenue, due to the sale of non-strategic businesses comprising Hold & Co UK, Honoré James and the Group's Concession Catering subsidiaries in Argentina and Morocco. Changes in exchange rates – notably for the US dollar, the Chilean peso and the Mexican peso – had an adverse impact of 1.3%.

- **Motorways (5.7% organic growth):** Growth in the Motorways market was boosted during the period by the opening of new rest areas in Germany and a favorable basis of comparison with FY 2012-2013 as during the first half of that year a number of rest areas in France were closed temporarily for renovation works, or were closed down completely. Áreas's motorways business was robust in the United States, propelled by the ramp-up of sales at rest areas along the Florida Turnpike and the successful reopening of one of the rest areas on the Maryland Turnpike following renovation works. In Spain, the motorways market began to pick up slightly after several very difficult years due to the country's recession, whereas motorway traffic volumes edged down in France and Italy.

- **Airports (10.0% organic growth)**: The Group's Airports business was buoyed by an increase in air passenger traffic during the period – particularly at Roissy-Charles de Gaulle airport in Paris – as well as by the opening of new sales outlets at the airports in Milan and the start-up of our contract with Basel-Mulhouse airport. For Áreas, business volumes were good at airports in Spain thanks to a sharp upswing in air passenger traffic and the start-up of a new expanded contract at Madrid Barajas airport. Performance for the airports business in the United States was also good, particularly at Los Angeles and Newark, and the ramp-up of operations at Chicago airport is going well.

- **City Sites & Leisure (2.4% organic decrease)**: The Group's revenue performance in the City Sites & Leisure market was adversely affected by the fact that the biennial Paris Motor Show and Le Bourget Air Show took place in FY 2012-2013 but not in FY 2013-2014, as well as by the non-renewal of the contract with the Parc des Princes stadium in Paris, and lower visitor numbers at trade fairs, and museums and other tourist sites. However, the Group felt the positive effects during the period of the ramp-up of new sales outlets in the Gare de Lyon railway station in Paris and strong growth experienced in the Leisure business, notably in Germany thanks to the opening of the Center Parcs Bostalsee resort.

1.1.2 **Purchase of Raw Materials and Consumables**

This item increased by €94.8 million, or 8.4%, to €1,219.2 million for the nine months ended June 30, 2014 from €1,124.4 million in the corresponding prior-year period.

The following table sets out purchases of raw materials and consumables by segment and as a percentage of the revenue of each segment.

	Nine months ended June 30,			
	2013		2014	
	in € millions and % of revenue			
Purchase of raw materials and consumables				
Contract Catering & Support Services	(824.7)	*30.5%*	(907.5)	*30.7%*
Concession Catering & Travel Retail	(313.5)	*29.4%*	(325.3)	*29.9%*
Headquarters, holding companies and purchasing entities	13.8	—	13.6	—
Total	**(1,124.4)**	***29.8%***	**(1,219.2)**	***30.2%***

1.1.2.1 Contract Catering & Support Services

Purchases of raw materials and consumables in the Contract Catering & Support Services segment rose by €82.8 million, or 10.0%, to €907.5 million for the nine months ended June 30, 2014 from €824.7 million in the corresponding prior-year period. The acquisition of THS in April 2013 contributed €78.7 million of the year-on-year increase.

As a percentage of revenue, the segment's purchases of raw materials and consumables edged up to 30.7% from 30.5%, chiefly reflecting the acquisition of THS, whose purchases of raw materials and consumables represent a higher percentage of revenue than the segment's other businesses. Excluding THS, as a proportion of revenue this item was 0.7 of a percentage point lower than in the first nine months of FY 2012-2013. This decrease mainly derived from Italy, as a result of (i) the start-up of the new on-board train catering contract 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) improved purchasing conditions, particularly for Gemeaz, demonstrating the purchasing synergies that are gradually being achieved, as well as the success of the actions plans put in place for raw materials.

1.1.2.2 Concession Catering & Travel Retail

Purchases of raw materials and consumables in the Concession Catering & Travel Retail segment increased by €11.8 million, or 3.8%, to €325.3 million for the nine months ended June 30, 2014 from €313.5 million in the equivalent period of FY 2012-2013. As a percentage of revenue, this item increased to 29.9% from 29.4%, mainly due to the opening of new motorway rest areas in Germany, whose purchases of raw materials and consumables represent a higher percentage of revenue than the segment's other businesses.

1.1.3 **Personnel costs**

Consolidated personnel costs rose by €84.7 million, or 4.7%, to €1,870.9 million for the nine months ended June 30, 2014 from €1,786.2 million in the corresponding prior-year period, but decreased as a percentage of revenue to 46.3% from 47.4%.

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

	Nine months ended June 30,			
	2013		**2014**	
	in € millions and % of revenue			
Personnel costs				
Contract Catering & Support Services	(1,362.2)	*50.3%*	(1,449.8)	*49.1%*
Concession Catering & Travel Retail	(393.8)	*37.0%*	(389.6)	*35.8%*
Headquarters, holding companies and purchasing entities[(1)]	(30.1)	—	(31.6)	—
Total	**(1,786.2)**	***47.4%***	**(1,870.9)**	***46.3%***

(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 specific operating segments. They are therefore recorded as a credit under "Other operating expenses" within the Headquarters, holding companies and purchasing entities segment.

1.1.3.1 Contract Catering & Support Services

Personnel costs in the Contract Catering & Support Services segment increased by €87.6 million, or 6.4%, to €1,449.8 million for the nine months ended June 30, 2014 from €1,362.2 million in the nine months ended June 30, 2013. The rise was mainly due to the effect of the acquisition of THS (which accounted for €60.2 million of the overall increase) and, to a lesser extent, an increase in personnel costs (in line with revenue growth) for the segment's French operations.

As a percentage of revenue, this segment's personnel costs decreased to 49.1% from 50.3%, mainly as a result of (i) a mix effect arising from acquisitions, as THS has a lower personnel costs to revenue ratio than that of the Group's other Contract Catering & Support Services businesses, and (ii) the positive impact on the segment's personnel costs to revenue ratio in Italy caused by the start-up of on-board train catering services, which are largely subcontracted.

1.1.3.2 Concession Catering & Travel Retail

Personnel costs in the Concession Catering & Travel Retail segment edged back by €4.2 million, or 1.0%, to €389.6 million for the nine months ended June 30, 2014 from €393.8 million in the corresponding prior-year period. This year-on-year reduction was primarily attributable to a decrease in Áreas's personnel costs due to the sale in the first quarter of FY 2013-2014 of the Group's operations in Argentina and Morocco.

As a percentage of revenue, personnel costs for the Concession Catering & Travel Retail segment contracted to 35.8% from 37.0%. This decrease mainly reflects the fact that Áreas had a lower ratio of personnel costs to revenue during the period due to higher business volumes, which led to productivity gains, as well as to the impact of the restructuring plan put in place with a view to reducing personnel costs at Madrid Barajas airport (for which the Group's contract was renewed and expanded to include a greater number of outlets during FY 2012-2013).

1.1.4 **Other Operating Expenses**

Other operating expenses increased by €67.2 million, or 12.9%, to €589.6 million in the nine months ended June 30, 2014 from €522.4 million in the same period of FY 2012-2013.

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

	Nine months ended June 30,			
	2013		**2014**	
	in € millions and % of revenue			
Other operating expenses				
Contract Catering & Support Services	(253.8)	*9.4%*	(317.8)	*10.8%*
Concession Catering & Travel Retail	(283.2)	*26.6%*	(292.0)	*26.8%*
Headquarters, holding companies and purchasing entities(1)	14.6	—	20.2	—
Total	**(522.4)**	***13.9%***	**(589.6)**	***14.6%***

(1) Represents a portion of the revenue invoiced to operating entities by headquarters, holding companies and purchasing entities (including 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 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.

1.1.4.1 Contract Catering & Support Services

Other operating expenses reported for the Contract Catering & Support Services segment increased by €64.0 million, or 25.2%, to €317.8 million for the nine months ended June 30, 2014 from €253.8 million in the corresponding prior-year period. The acquisition of THS accounted for €13.7 million of the overall rise. The figure was also pushed up due to increased use of subcontracting in Italy as a result of the start-up in November 2013 of the Group's services under new on-board train catering contracts.

As a percentage of revenue, other operating expenses for the Contract Catering & Support Services segment rose to 10.8% from 9.4%, primarily reflecting the increase in subcontracting costs.

1.1.4.2 Concession Catering & Travel Retail

Other operating expenses in the Concession Catering & Travel Retail segment increased by €8.8 million, or 3.1%, to €292.0 million for the nine months ended June 30, 2014 from €283.2 million in the corresponding prior-year period. Higher business volumes for Áreas and the Group’s German motorways operations were the main contributors to this rise. As a percentage of revenue, the segment’s other operating expenses were more or less unchanged year on year, representing 26.8% versus 26.6%.

1.1.5 **Taxes other than on Income**

This item rose by €8.8 million, or 21.8%, to €49.2 million for the nine months ended June 30, 2014 from €40.4 million in the equivalent prior-year period. The following table sets out taxes other than income by segment and as a percentage of the revenue of each segment.

	Nine months ended June 30,			
	2013		2014	
	in € millions and % of revenue			
Taxes other than on income				
Contract Catering & Support Services	(26.0)	*1.0%*	(33.8)	*1.1%*
Concession Catering & Travel Retail	(11.8)	*1.1%*	(12.0)	*1.1%*
Headquarters, holding companies and purchasing entities	(2.7)	—	(3.3)	—
Total	**(40.4)**	***1.1%***	**(49.2)**	***1.2%***

1.1.5.1 Contract Catering & Support Services

Taxes other than on income for the Contract Catering & Support Services segment increased by €7.8 million, or 30.0%, to €33.8 million for the nine months ended June 30, 2014 from €26.0 million in the corresponding prior-year period. The acquisition of THS accounted for €6.9 million of this year-on-year rise.

1.1.5.2 Concession Catering & Travel Retail

Taxes other than on income for the Concession Catering & Travel Retail segment inched up by €0.2 million, or 1.7%, to €12.0 million for the nine months ended June 30, 2014 from €11.8 million in the corresponding prior-year period. As a percentage of revenue, however, they remained unchanged.

1.1.6 **EBITDA**

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

(in € millions)	**EBITDA 9 months 2013-2014**	**EBITDA 9 months 2012-2013**	**EBITDA margin 9 months 2013-2014**	**EBITDA margin 9 months 2012-2013**
Contract Catering & Support Services:				
France……………………………………………	148.7	157.0	9.0%	9.6%
Other countries………………………………..	94.4	83.4	7.3%	7.8%
Total Contract Catering & Support Services	243.1	240.4	8.2%	8.9%
Concession Catering & Travel Retail:				
France, Germany, Belgium, Italy………	45.1	48.4	6.9%	7.5%
Áreas……………………………………………	26.4	14.9	6.1%	3.6%
Total Concession Catering & Travel Retail	71.5	63.3	6.6%	5.9%
Headquarters, holding companies and purchasing entities………………………	(1.2)	(4.5)		
Consolidated total…………………………	313.4	299.2	7.8%	7.9%

Consolidated EBITDA increased by €14.2 million, or 4.8%, to €313.4 million for the nine months ended June 30, 2014 from €299.2 million in the equivalent prior-year period. As a percentage of revenue, it represented 7.8%, on a par with the first nine months of FY 2012-2013. Changes in exchange rates did not have a material impact on the Group's operating results for the nine months ended June 30, 2014.

1.1.6.1 Contract Catering & Support Services

EBITDA for the Contract Catering & Support Services segment increased by €2.7 million, or 1.1%, to €243.1 million for the nine months ended June 30, 2014 from €240.4 million in the same period of FY 2012-2013. The year-on-year increase was mainly due to the acquisition of THS in FY 2012-2013 and the positive performance of the Support Services business in France, although these favorable impacts were partially offset by (i) an erosion of contract catering margins in France, notably in the Business & Industry and Education sectors due to the fewer working days and higher number of bank holidays than in the first nine months of FY 2012-2013, which had an estimated €5 million negative effect, and (ii) start-up costs for certain new contracts. International Contract Catering & Support Services subsidiaries posted a sharp year-on-year increase in EBITDA, with the United Kingdom, Spain and the United States turning in very satisfactory performances both in absolute value and margin terms. Conversely, the figures for Elior Ristorazione were affected by the general economic situation in Italy.

As a percentage of revenue, this segment's EBITDA came to 8.2% versus 8.9% in the first nine months of FY 2012-2013.

1.1.6.2 Concession Catering & Travel Retail

EBITDA for the Concession Catering & Travel Retail segment rose by €8.2 million, or 13.0%, to €71.5 million for the nine months ended June 30, 2014 from €63.3 million in the corresponding prior-year period. The increase was primarily attributable to (i) a strong performance by Áreas due to higher business volumes in both the United States and the Airports sector in Spain and Portugal, and (ii) improved margins in the Leisure market in France. The segment's other markets saw EBITDA contractions in France and Germany however, both in absolute value and margin terms, particularly in the Motorways sector.

As a percentage of revenue, the segment's EBITDA rose to 6.6% from 5.9%.

1.1.7 Depreciation, Amortization and Provisions for Recurring Operating Items

Consolidated depreciation, amortization and provisions for recurring operating items decreased by a slight €1.0 million, or 1.0%, to €100.0 million in the nine months ended June 30, 2014 from €101.0 million in the first nine months of FY 2012-2013.

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

	Nine months ended June 30,			
	2013		2014	
	in € millions and % of revenue			
Depreciation, amortization and provisions for recurring operating items				
Contract Catering & Support Services	(45.9)	*1.7%*	(43.2)	*1.7%*
Concession Catering & Travel Retail	(53.5)	*5.0%*	(55.6)	*5.1%*
Headquarters, holding companies and purchasing entities	(1.6)	*—*	(1.2)	*—*
Total	**(101.0)**	***2.7%***	**(100.0)**	***2.5%***

1.1.7.1 Contract Catering & Support Services

Depreciation, amortization and provisions for recurring operating items for the Contract Catering & Support Services segment decreased by €2.7 million, or 5.9% to €43.2 million from €45.9 million in the first nine months of FY 2012-2013. The year-on-year decrease was primarily due to reversals of surplus provisions for contingencies related to contracts in Italy.

1.1.7.2 Concession Catering & Travel Retail

Depreciation, amortization and provisions for recurring operating items for the Concession Catering & Travel Retail segment rose by €2.1 million, or 3.9%, to €55.6 million for the nine months ended June 30, 2014 from €53.5 million in the corresponding prior-year period. This increase was primarily attributable to capital expenditure for Áreas's new contracts in the United States and Spain.

1.1.8 **Other Income and Expenses, Net**

This item represented a net expense of €53.2 million for the nine months ended June 30, 2014, chiefly reflecting (i) €4.0 million in amortization of intangible assets (customer relationships) recognized on the first-time consolidation of THS in the United States as part of the purchase price allocation process, (ii) the €2.5 million disposal loss recognized on the sale of Áreas subsidiaries in Morocco and Argentina, (iii) €26.1 million in IPO-related costs and fees that could not be charged against the issue premium, and (iv) €16.1 million in costs related to the repayment of debt following the IPO (notably the penalty incurred as a result of redeeming in advance a portion of the Elior Finance & Co SCA Senior Secured Notes and the expensing of debt issuance costs that were previously capitalized and unamortized).

For the nine months ended June 30, 2013, "Other Income and Expenses, net" represented a net expense of €36.5 million and mainly broke down as (i) €23.4 million in non-recurring advisory and due diligence fees related to the Amend & Extend process, (ii) restructuring costs for the Contract Catering & Support Services businesses in Spain and the Support Services business in France, and (iii) €5.1 million in costs related to the early repayment of debt.

1.1.9 **Net Financial Expense**

Net financial expense increased by €15.2 million, or 15.8%, to €111.6 million for the nine months ended June 30, 2014 from €96.4 million in the corresponding prior-year period. This increase was mainly due to the Group's higher average level of debt during the period as a result of the acquisition of THS that took place in April 2013, as well as the full-period impact of the interest payable on the Senior Secured Notes issued in April 2013. The debt repayments made following the IPO in June 2014 have not yet had a significant effect on net financial expense.

1.1.10 **Income Tax**

The Group's income tax expense rose by €2.0 million, or 7.4%, to €29.1 million for the nine months ended June 30, 2014 from €27.1 million in the same period of FY 2012-2013. The year-on-year rise was primarily attributable to the acquisition of THS and an increase in the tax expense recorded in Italy, where a one-off corporate income tax credit (IRES) had been recognized in the prior-year period due to the introduction of legislation allowing the deduction of a portion of the regional IRAP tax.

1.1.11 **Profit for the Period**

As a result of the above-described factors, and particularly the non-recurring costs related to the IPO and higher net financial expense during the period, the Group reported profit of €19.5 million for the nine months ended June 30, 2014 versus €38.3 million for the nine months ended June 30, 2013.

1.2 CONSOLIDATED CASH FLOWS FOR THE NINE-MONTH PERIODS ENDED JUNE 30, 2013 AND JUNE 30, 2014

The following table provides an overview of the Group's cash flows for the nine-month periods ended June 30, 2013 and June 30, 2014

	Nine months ended June 30,	
	2013	**2014**
	in € millions	
Net cash from operating activities	48.0	102.0
Net cash used in investing activities	(361.4)	(151.0)
Net cash from financing activities	286.1	189.1
Effect of exchange rate and other changes	1.3	(5.2)
Net increase/(decrease) in cash and cash equivalents	**(26.1)**	**134.9**

1.2.1.1 Cash Flows from Operating Activities

The following table sets out the components of consolidated net cash from operating activities for the nine-month periods ended June 30, 2013 and June 30, 2014.

	Nine months ended June 30,	
	2013	**2014**
	in € millions	
EBITDA	299.2	313.4
Change in working capital	(99.9)	(36.8)
Interest paid	(92.3)	(105.9)
Tax paid	(18.0)	(20.6)
Other (including dividends received from associates)	(41.1)	(48.2)
Net cash from operating activities	**48.0**	**102.0**

Operating activities generated a net cash inflow of €102.0 million in the nine months ended June 30, 2014 versus a net cash inflow of €48.0 million in the first nine months of FY 2012-2013. The year-on-year increase reflects movements in all of this item's components during the period.

1.2.1.1.1 Change in working capital

Change in working capital resulted in a lower cash outflow in the nine months ended June 30, 2014 (€36.8 million) than in the same period of FY 2012-2013 (€99.9 million). This improvement primarily reflects better client payment times and tight management of working capital, particularly in the Group's contract catering operations in Spain and Italy and in the support services business in France. However, these positive effects were partially offset by the impact of an increase in CICE tax receivables in the balance sheet due to the recognition of a higher amount of these receivables in the nine months ended June 30, 2014 than in the corresponding prior-year period.

1.2.1.1.2 Tax paid

Tax paid includes corporate income tax paid in all of the geographic areas 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 €20.6 million in the nine months ended June 30, 2014 versus an €18.0 million net cash outflow in the nine months ended June 30, 2013.

1.2.1.1.3 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 purchase price accounting adjustments related to acquisitions recognized in accordance with IFRS. For the nine-month periods ended June 30, 2013 and 2014, other cash flows from operating activities represented net cash outflows of €41.1 million and €48.2 million, respectively. The figure for the nine months ended June 30, 2014 primarily related to (i) restructuring costs incurred by Áreas in Spain, which had been provisioned at September 30, 2013, (ii) the Group's recent acquisitions of Ansamble and Gemeaz, and (iii) cash outflows related to Elior's IPO and the partial redemption of the Elior Finance & Co SCA Senior Secured Notes in June 2014.

1.2.1.2 Net cash used in investing activities

The following table sets out the components of consolidated net cash used in investing activities for the nine-month periods ended June 30, 2013 and June 30, 2014.

	Nine months ended June 30,	
	2013	**2014**
	in € millions	
Purchases of and proceeds from sale of property, plant and equipment and intangible assets	(131.4)	(145.7)
Purchases of and proceeds from sale of non-current financial assets	3.1	(2.7)
Acquisition/sale of shares in consolidated companies	(233.2)	(2.6)
Net cash used in investing activities	**(361.4)**	**(151.0)**

Net cash used in investing activities totaled €361.4 million for the nine months ended June 30, 2013 and €151.0 million for the nine months ended June 30, 2014.

1.2.1.2.1 Capital expenditure

Total consolidated cash used for capital expenditure (net of proceeds from sales) increased from €131.4 million in the nine-month period ended June 30, 2013 to €145.7 million for the first nine months of FY 2013-2014.

The figure for the Contract Catering & Support Services segment came to €46.0 million for the nine months ended June 30, 2013 and €53.0 million for the nine months ended June 30, 2014, representing 1.7% and 1.8% of the segment's revenue respectively, and reflecting a steady pace of capital expenditure.

In the Concession Catering & Travel Retail segment, net cash used for capital expenditure totaled €83.3 million for the nine months ended June 30, 2013 and €90.2 million for the nine months ended June 30, 2014, representing 7.8% and 8.3% of the segment's revenue respectively. The high level of capital outlay over the period was mainly due to the purchase of non-current assets in the Motorways sector during the third quarter of the fiscal year, as well as the ongoing capital expenditure programs for the renovation of rest areas on the Florida and Maryland Turnpikes in the United States.

Net cash used for capital expenditure by Headquarters, holding companies and purchasing entities came to €2.2 million and €2.6 million in the nine-month periods ended June 30, 2013 and 2014 respectively, and primarily corresponded to purchases of software and hardware.

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

The consolidated net cash outflow of €2.7 million related to "Purchases of and proceeds from sale of non-current financial assets" in the nine months ended June 30, 2014 mainly reflects an increase in loans and deposits.

The consolidated net cash inflow of €3.1 million generated from this item in the nine months ended June 30, 2013 primarily related to the repayment of a vendor loan granted in connection with the prior disposal of a main-street fast-food business, partially offset by an increase in loans and deposits.

1.2.1.2.3 Acquisition/sale of shares in consolidated companies

For the nine months ended June 30, 2013, acquisitions and sales of shares in consolidated companies represented a net cash outflow of €233.2 million and mainly corresponded to the acquisition of THS in the United States and the purchase of non-controlling interests in contract catering operations in Spain.

For the nine months ended June 30, 2014, this item represented a net cash outflow of €2.6 million and concerned the payment of acquisition-related liabilities (additional purchase price consideration payable by THS to certain former shareholders of subsidiaries previously acquired by THS), partly offset by proceeds received during the period from the sale of the Group's subsidiaries in Argentina and Morocco.

1.2.1.3 Cash Flows from Financing Activities

The following table sets out the components of consolidated net cash from financing activities for the nine-month periods ended June 30, 2013 and June 30, 2014.

	Nine months ended June 30,	
	2013	**2014**
	in € millions	
Movements in share capital of the parent and in shareholder loans	(0.0)	777.9
Dividends paid to non-controlling interests in consolidated companies	(2.2)	(0.4)
Proceeds from borrowings	1,008.2	168.4
Repayments of borrowings	(719.9)	(756.7)
Net cash from financing activities	**286.1**	**189.1**

Net cash from financing activities totaled €189.1 million and €286.1 million in the nine-month periods ended June 30, 2014 and 2013 respectively.

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

There were no movements in share capital during the nine-month period ended June 30, 2013.

During the nine months ended June 30, 2014 the Group carried out a €785.0 million capital increase, corresponding to the issue of 53.2 million new shares for the purpose of the Company's IPO on June 11, 2014. A total of €8.4 million in IPO-related costs that could be charged against the issue premium was paid out in the first nine months of FY 2013-2014, notably corresponding to fees of the advisory banks involved.

1.2.1.3.2 Dividends paid to non-controlling interests in consolidated companies

This item represented net cash outflows of €2.2 million and €0.4 million for the nine-month periods ended June 30, 2013 and 2014, respectively, and chiefly corresponded to dividends paid to non-controlling shareholders of MyChef.

1.2.1.3.3 Proceeds from borrowings

Consolidated cash inflows from proceeds from borrowings totaled €1,008.2 million and €168.4 million in the nine-month periods ended June 30, 2013 and 2014 respectively.

In the nine months ended June 30, 2013, these proceeds mainly corresponded to (i) €44.1 million from new securitized receivables, (ii) €39.3 million drawn down under a new financing arrangement set up by Áreas to fund its capital expenditure in the United States, (iii) €453.0 million drawn down under the Elior Facility 2019, (iv) €350.0 million in proceeds from the issuance in April 2013 by Elior Finance & Co SCA of Senior Secured Notes maturing in 2020, and (v) a €117.7 million bank loan set up in the United States for the acquisition of THS.

In the nine months ended June 30, 2014, this item primarily corresponded to (i) €134.8 million from new securitized receivables, due to the inclusion of Serunión and then Elior Italy in the securitization program, (ii) €34.6 million in cash received on the sale of the CICE tax receivable for 2013, and (iii) €27.9 million drawn down by Áreas under a bank credit facility to refinance its borrowings and fund its capital expenditure in the United States.

1.2.1.3.4 Repayments of borrowings

Repayments of borrowings led to net cash outflows of €719.9 million and €756.7 million in the nine-month periods ended June 30, 2013 and 2014 respectively.

In the first nine months of FY 2012-13, this item mainly corresponded to repayments of (i) syndicated borrowings representing an aggregate €696.4 million, (ii) finance lease liabilities in an amount of €4.0 million, and (iii) various bank borrowings totaling €19.5 million.

In the first nine months of FY 2013-2014, repayments of borrowings primarily related to (i) early repayment of €615.0 million worth of three syndicated bank loans granted to Elior SA and Elior Participations SA, (ii) early redemption of €122.5 million worth of the Elior Finance & Co SCA 6.5% Senior Secured Notes maturing in May 2020, representing 35% of the outstanding notes, (iii) amounts repaid under finance leases (€4.1 million), and (iv) repayments of various bank borrowings (€15.1 million).

1.2.1.3.5 Effect of exchange rate and other changes

In the nine months ended June 30, 2014, fluctuations in exchange rates and other changes had a negative €5.2 million cash impact. This overall adverse effect reflects the following combined factors: cash amounts received by Áreas USA for the Florida Turnpike short-term financial receivable recorded in accordance with IFRIC 12, offset by (i) unfavorable currency effects on consolidated cash and cash equivalents and (ii) bank fees paid in connection with the Group’s debt repricing in February 2014.

In the first nine months of FY 2012-2013, fluctuations in exchange rates and other changes had an overall positive cash impact, primarily reflecting the combined effect of bank fees paid in relation to the Amend & Extend process for the Senior Credit Facility and the €350 million Senior Secured Notes issue carried out in April 2013, offset by cash amounts received by Áreas USA for the Florida Turnpike short-term financial receivable recorded in accordance with IFRIC 12.

Elior SA
(formerly Holding Bercy Investissement SCA)

Condensed Interim Consolidated Financial Statements

for the Nine-Month Periods Ended June 30, 2014 and 2013

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.

1. Consolidated Income Statement and Statement of Comprehensive Income

a. Consolidated Income Statement

(in € millions)	Note	Nine months ended June 30, 2014 Unaudited	Nine months ended June 30, 2013 Unaudited
Revenue	**9.a**	**4,040.7**	**3,771.9**
Purchase of raw materials and consumables		(1,219.2)	(1,124.4)
Personnel costs		(1,870.9)	(1,786.2)
Other operating expenses		(589.7)	(522.5)
Taxes other than on income		(49.2)	(40.4)
Depreciation, amortization and provisions for recurring operating items		(100.0)	(101.0)
Recurring operating profit		**211.8**	**197.4**
Share of profit of associates		1.6	0.8
Recurring operating profit including share of profit of associates	**9.b**	**213.4**	**198.3**
Other income and expenses, net	11	(53.2)	(36.5)
Operating profit including share of profit of associates		**160.2**	**161.8**
Financial expenses	17	(114.1)	(97.8)
Financial income	17	2.5	1.4
Profit before income tax		**48.6**	**65.4**
Income tax	12	(29.1)	(27.1)
Profit for the period		**19.5**	**38.3**
Attributable to owners of the parent		**21.4**	**44.9**
Attributable to non-controlling interests		**(1.9)**	**(6.6)**
Basic earnings per share (in €)		0.19	0.41
Diluted earnings per share (in €)		0.19	0.41

b. Consolidated Statement of Comprehensive Income

(in € millions)	Nine months ended June 30, 2014 Unaudited	Nine months ended June 30, 2013 Unaudited
Profit for the period	**19.5**	**38.3**
Items that will not be reclassified subsequently to profit or loss		
Post-employment benefit obligations	0.3	(1.6)
Items that may be subsequently reclassified to profit or loss		
Financial instruments	0.5	14.6
Currency translation differences	(3.3)	(0.3)
Income tax	(0.2)	(5.0)
Total other comprehensive income/(expense) for the period	**(2.7)**	**7.6**
Total comprehensive income for the period	**16.8**	**46.0**
Attributable to:		
- Owners of the parent	18.7	52.5
- Non-controlling interests	(1.9)	(6.6)

2. Consolidated Balance Sheet

a. Assets

(in € millions)	Note	At June 30, 2014 Unaudited	At Sept. 30, 2013 Audited	At June 30, 2013 Unaudited
Goodwill	14	2,357.2	2,411.6	2,448.5
Intangible assets	15	230.6	143.4	102.0
Property, plant and equipment	16	502.5	489.5	526.3
Non-current financial assets		38.0	39.3	27.6
Investments in associates		6.5	6.7	6.1
Fair value of derivative financial instruments (*)		0.4	0.6	0.0
Deferred tax assets		236.2	227.8	204.0
Non-current assets		**3,371.5**	**3,318.9**	**3,314.5**
Inventories		89.9	94.2	93.6
Trade and other receivables		1,009.6	905.2	976.4
Current income tax assets		25.3	19.5	19.4
Other current assets		46.1	46.2	44.8
Short-term financial receivables (*)		5.3	8.5	9.6
Cash and cash equivalents (*)		312.4	210.0	90.3
Current assets		**1,488.5**	**1,283.6**	**1,234.1**
Total assets		**4,860.0**	**4,602.5**	**4,548.6**

(*) Included in the calculation of net debt

b. Equity and Liabilities

(in € millions)	Note	At June 30, 2014 Unaudited	At Sept. 30, 2013 Audited	At June 30, 2013 Unaudited
Share capital		1.6	1.1	1.1
Reserves and retained earnings		1,294.9	582.1	624.9
Non-controlling interests		29.5	67.6	64.3
Total equity	**4.a) & b)**	**1,326.1**	**650.8**	**690.3**
Long-term debt (*)	17	1,647.9	2,240.8	2,267.7
Fair value of derivative financial instruments (*)		25.4	25.7	26.9
Non-current liabilities relating to share acquisitions		148.7	40.1	48.6
Deferred tax liabilities		40.1	23.1	20.2
Provisions for pension and other post-employment benefit obligations	18	97.0	97.6	96.0
Other long-term provisions	18	13.5	13.5	16.4
Other non-current liabilities		0.1	0.0	0.0
Non-current liabilities		**1,972.7**	**2,440.9**	**2,475.7**
Trade and other payables		685.8	667.2	621.7
Due to suppliers of non-current assets		15.8	30.2	20.5
Accrued taxes and payroll costs		607.6	525.5	560.1
Current income tax liabilities		22.8	3.1	16.8
Short-term debt (*)	17	110.2	136.1	68.4
Current liabilities relating to share acquisitions		18.9	26.4	21.0
Short-term provisions	18	79.8	101.3	57.0
Other current liabilities		20.4	21.1	17.1
Current liabilities		**1,561.2**	**1,510.9**	**1,382.5**
Total liabilities		**3,533.9**	**3,951.7**	**3,858.2**
Total equity and liabilities		**4,860.0**	**4,602.5**	**4,548.6**
(*) Included in the calculation of net debt		1,465.4	2,183.5	2,263.1
Net debt excluding fair value of derivative financial instruments and debt issuance costs		1,458.8	2,181.4	2,258.6

3. Consolidated Cash Flow Statement

(in € millions)	Nine months ended June 30, 2014 Unaudited	Nine months ended June 30, 2013 Unaudited
Cash flows from operating activities		
Recurring operating profit including share of profit of associates	213.4	198.3
Amortization and depreciation	102.1	98.9
Provisions	(2.1)	2.1
EBITDA	**313.4**	**299.2**
Dividends received from associates	1.6	0.9
Change in working capital	(36.8)	(99.9)
Interest paid	(105.9)	(92.3)
Tax paid	(20.6)	(18.0)
Other cash movements	(49.0)	(42.0)
Net cash from operating activities	**102.8**	**48.0**
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(151.9)	(139.2)
Proceeds from sale of property, plant and equipment and intangible assets	6.2	7.8
Purchases of non-current financial assets	(4.3)	(7.1)
Proceeds from sale of non-current financial assets	1.6	10.3
Acquisition of Elior shares	0.0	0.0
Acquisition/sale of shares in other consolidated companies	(2.6)	(233.2)
Net cash used in investing activities	**(151.0)**	**(361.4)**
Cash flows from financing activities		
Movements in share capital of the parent and in shareholder loans	777.1	0.0
Dividends paid to non-controlling interests in consolidated subsidiaries	(0.4)	(2.2)
Proceeds from borrowings	168.4	1,008.2
Repayments of borrowings	(756.7)	(719.9)
Net cash from financing activities	**189.1**	**286.1**
Effect of exchange rate and other changes	(5.2)	1.3
Net increase/(decrease) in cash and cash equivalents	**134.9**	**(26.1)**
Cash and cash equivalents at beginning of period	**130.1**	**54.8**
Cash and cash equivalents at end of period	**265.0**	**28.7**

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 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, 2012 (reported)	**108,820,358**	**1.1**	**596.2**	**(30.1)**	**1.8**	**568.8**	**50.1**	**618.9**
Impact of change in accounting method: IAS 19R			(5.8)			(5.8)		(5.8)
Balance at September 30, 2012	**108,820,358**	**1.1**	**590.4**	**(30.1)**	**1.8**	**563.0**	**50.1**	**613.1**
Profit for the period				44.9		44.9	(6.6)	38.3
Post-employment benefit obligations			(1.6)			(1.6)		(1.6)
Changes in fair value of financial instruments			9.6			9.6		9.6
Currency translation differences					0.4	0.4	(0.7)	(0.3)
Comprehensive income for the period			**8.0**	**44.9**	**0.4**	**53.2**	**(7.3)**	**46.0**
Appropriation of prior-period profit			(30.1)	30.1				
Dividends paid			(0.8)			(0.8)	(1.5)	(2.3)
Other movements (a)			10.6			10.6	(23.0)	33.6
Balance at June 30, 2013	**108,820,358**	**1.1**	**578.0**	**44.9**	**2.2**	**626.0**	**64.3**	**690.3**
Balance at September 30, 2013	**108,820,358**	**1.1**	**567.2**	**8.7**	**6.3**	**583.2**	**67.6**	**650.8**
Profit for the period				21.4		21.4	(1.9)	19.5
Post-employment benefit obligations			0.3			0.3		0.3
Changes in fair value of financial instruments			0.3			0.3	0.0	0.3
Currency translation differences					(2.3)	(2.3)	(1.0)	(3.3)
Comprehensive income for the period			**0.6**	**21.4**	**(2.3)**	**19.7**	**(2.9)**	**16.8**
Appropriation of prior-period profit			8.7	(8.7)		0.0		0.0
Capital increase	55,392,327	0.5	768.0			768.6		768.6
Dividends paid			(0.3)			(0.3)	0.7	0.4
Other movements (b)			(74.7)			(74.7)	(35.9)	(110.5)
Balance at June 30, 2014	**164,212,685**	**1.6**	**1,269.5**	**21.4**	**4.0**	**1,296.6**	**29.5**	**1,326.1**

a) The amounts recognized under “Other movements” within "Equity attributable to owners of the parent" and "Non-controlling interests" for the nine months ended June 30, 2013 correspond to the impact of (i) a share issue taken up by the non-controlling shareholders of Áreas subsidiaries; and (ii) the acquisition of TrustHouse Services (which has been consolidated since April 2013), including a correction to align the amount of goodwill initially calculated at June 30, 2013 with the full goodwill method that has been applied since September 30, 2013.

b) The amounts recognized under “Other movements” within "Equity attributable to owners of the parent" and "Non-controlling interests" for the nine months ended June 30, 2014 correspond to (i) the recognition of the liability related to the Áreas put option, amounting to an aggregate €130 million, of which €112 million was deducted from equity, and (ii) the €1.5 million impact of the first-time consolidation of the management companies that were merged into Elior prior to the IPO.

Notes to the Condensed Interim Consolidated Financial Statements

1. General Information

Elior SA (Holding Bercy Investissement SCA until June 11, 2014) 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 June 30, 2014, Elior was 41.3%-held by investment funds managed by Charterhouse and Chequers, 19.67%-held by Bagatelle Investissement et Management – "BIM" (which is wholly owned by Robert Zolade), 1.09%-held by the SOFIA investment fund and companies of the Intermediate Capital Group (ICG), and 37.95%-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

These condensed interim consolidated financial statements for the nine-month periods ended June 30, 2014 and 2013 have been prepared in accordance with IAS 34, "Interim Financial Reporting". They should be read in conjunction with the annual financial statements for the year ended September 30, 2013, which were prepared in accordance with IFRS.

The condensed interim consolidated financial statements were approved for issue by Elior's Board of Directors on September 10, 2014.

3. Significant Events

a. Acquisition and disposal of shares in consolidated companies

In December 2013, the Group sold its Moroccan and Argentinian concession catering activities (previously operated by Áreas). Prior to the sale these activities generated aggregate annual revenue of around €20 million.

During the nine months ended June 30, 2013, the Group carried out the following transactions:

- In April 2013, it completed the acquisition of 78% of the share capital of the US-based contract caterer, TrustHouse Services Group (THS), with the remaining 22% owned by THS' managers. THS generates some $440 million in annual revenue and operates primarily in the Education, Healthcare and Corrections sectors. The total acquisition cost for the Group was around €213 million, of which €100 million was funded by an equity investment by Elior Restauration et Services SA and €118 million by local acquisition financing that matures in April 2019. THS has been fully consolidated by the Group since April 15, 2013.

- In January 2013, it acquired an additional 9.25% of the share capital of Serunión for €19 million following the exercise of a call option. Serunión is now wholly owned by the Group.

b. Renegotiation of the Group's syndicated bank loans (4th amendment)

The Group’s lending margins on its syndicated bank loans were reduced by its partner banks, effective from February 3, 2014. The reductions correspond to (i) 75 basis points on the outstanding amount of Elior and Elior Participations' main term loans representing a total of €1,571.3 million, and (ii) 25 basis points on €192.5 million in undrawn revolving credit facilities. In connection with the reductions obtained, the Group paid €6.8 million in bank fees, which are included in the effective interest rate of the loans and are therefore being deferred in the balance sheet in accordance with the IFRS accounting treatment applicable to a debt renegotiation that does not result in any substantial changes to the loan agreement.

c. Elior's stock market floatation on June 11, 2014 and the recognition of a liability for the put option on 38.45% of Áreas' share capital

Elior has been listed on NYSE Euronext Paris since June 11, 2014. The IPO involved the issue of 53.2 million Elior shares at a unit price of €14.75, resulting in an overall €785 million capital increase. Of this amount, €769 million was recognized in equity, net of the direct costs of the IPO which were charged against the issue premium in an amount net of the related tax effect.

As a listed company, in accordance with IAS 32 Elior considers that it no longer has control over the exercise conditions of the put option held by Emesa on 38.45% of Áreas' share capital. Consequently, a corresponding liability has been recognized in the first consolidated accounts prepared after the Company's stock market floatation, i.e. these financial statements for the nine months ended June 30, 2014. The amount of this liability recognized in the consolidated balance sheet at June 30, 2014 – corresponding to €130 million of which €112 million was deducted from equity – was calculated by means of a multi-criteria valuation analysis performed on Áreas and its subsidiaries, using methods based on discounted cash flows, valuation multiples for comparable listed companies and recent transaction multiples.

d. Debt reduction following Elior's stock market floatation

Following the Company's stock market flotation on June 11, 2014 Elior repaid (i) €615 million worth of its syndicated bank debt maturing in 2019 and (ii) €122 million worth of the Elior Finance & Co SCA May 2020 Senior Secured Notes.

4. Accounting Policies

The accounting policies adopted are consistent with 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 the revised version of IAS 19 (IAS 19R) as described in paragraph 5 below.

For interim periods, taxes on income (other than the CVAE tax levied in France on value added generated by the business) 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 three quarters 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 nine-month periods ended June 30, 2013 and 2014 represents three quarters of the expense calculated for the full years ended September 30, 2013 and 2014, respectively.

5. New Standards, Amendments and Interpretations

New Standards, Amendments and Interpretations adopted by the European Union and applied by the Group

- The revised version of IAS 19, “Employee Benefits”, which was adopted by the European Union on June 6, 2012 and is effective for annual periods beginning on or after January 1, 2013. This revised standard removes the option of deferring the recognition of certain actuarial gains and losses in the income statement over employees’ average remaining service period (known as the “corridor” method). It also requires additional disclosures on the risks related to employee benefit plans and their future cash flow impact. The Group recognized its actuarial gains and losses using the corridor method until September 30, 2013. In accordance with IAS 8, the change in accounting method resulting from the adoption of IAS 19R has been applied retrospectively. This had a negative impact on consolidated equity at September 30, 2012 amounting to €8.8 million (before tax) and €5.8 million (after tax), which corresponded to the total amount of actuarial gains and losses not previously recognized. Actuarial gains and losses arising on post-employment benefits since September 30, 2012 have been recognized in the statement of comprehensive income.

New Standards, Amendments and Interpretations issued by the IASB but not yet Applied by the Group

The standards, amendments and interpretations described below have been issued by the IASB for application in financial years subsequent to 2012-2013. They were adopted by the European Union at December 31, 2012, and will therefore be applicable by the Group as from January 1, 2014 unless the Group early adopts them. The practical implications of applying the following standards, amendments and interpretations and their effect on the Group’s financial statements are currently being analyzed but they are not expected to have a material impact on the presentation of the Group's results or on its financial position:

- IFRS 12, “Disclosure of Interests in Other Entities” and consequential amendments to IFRS 10, IFRS 11 and IFRS 12 “Transition Guidance”, which were adopted by the European Union in December 2012. This new standard and consequential amendments set out disclosure requirements regarding entities’ interests in subsidiaries, joint arrangements, associates and unconsolidated entities. These disclosure requirements are designed to help readers of financial statements evaluate the basis of control, as well as any restrictions on consolidated assets and liabilities. They are also intended to help evaluate the exposure to risks resulting from the entity’s interests in unconsolidated entities and from non-controlling interests in consolidated activities. Application of this standard and the consequential amendments will require the Group to disclose additional information about the financial position and results of its joint ventures and special purpose entities.
- IFRIC 21, “Levies”.

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 IAS 12, "Deferred Tax: Recovery of Underlying Assets".
- Revised version of IAS 27, "Separate Financial Statements".
- Revised version of IAS 28, "Investments in Associates and Joint Ventures".
- Amendments to IAS 36, "Recoverable Amount Disclosures for Non-Financial Assets".
- Amendments to IAS 32 and IFRS 7, "Offsetting Financial Assets and Financial Liabilities".

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, 2013, with the exception of changes in estimates that are required in determining the provision for income taxes.

7. Exchange Rates

For the nine-month periods ended June 30, 2014 and 2013, 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 June 30, 2014 and 2013 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. Translation differences have been recorded in equity.

The main exchange rates used in the consolidated financial statements for the nine-month periods ended June 30, 2014 and 2013 are based on Paris stock exchange rates and were as follows:

June 30, 2014	Period-end rate	Average rate
- €/US $:	1.3692	1.3678
- €/£:	0.8005	0.8280

June 30, 2013	Period-end rate	Average rate
- €/US $:	1.3010	1.3046
- €/£:	0.8556	0.8304

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 segment 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 segment 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 quarterly revenue due to offsetting effects between the Group's two business segments. Each quarter accounts for approximately 25% of the Group's total annual revenue, excluding the effect of changes in the scope of consolidation.

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 segment. The proportion of recurring operating profit recorded during the first and second half of each financial 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 segments.
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 segment, cash generated from changes in working capital is directly linked to business volumes, which are lower in the first half of each financial year than in the second half; and
- in the Contract Catering & Support Services segment, the amount of trade receivables increases during the first half of each financial 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. Operating Segment Information

At June 30, 2014, the Group had two main operating segments: Contract Catering & Support Services, and Concession Catering & Travel Retail, as well as an operating segment corresponding to "Headquarters, holding companies and purchasing entities". Within the two main operating segments used for reporting purposes until December 31, 2013, segment profit and non-current assets are now also analyzed by main geographic area (likewise used for internal management purposes), as follows:

- For the Contract Catering & Support Services segment: France and International.
- For Concession Catering & Travel Retail: Europe excluding Áreas, and Áreas

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 sector and geographic area for the nine-month periods ended June 30, 2014 and 2013.

− Detailed income statement information by operating segment

Nine months ended June 30, 2014 Unaudited (in € millions)	Contract Catering & Support Services			Concession Catering & Travel Retail			Headquarters, holding companies and purchasing entities	Group total
	France	International	**Total**	Europe excluding Áreas	Áreas	**Total**		
Revenue	**1,652.0**	**1,300.0**	**2,952.0**	**658.2**	**430.6**	**1,088.7**	**0.0**	**4,040.7**
Recurring operating profit/(loss)	121.6	78.3	**199.9**	14.8	1.0	**15.8**	(2.4)	**213.4**
Recurring operating profit/(loss) as a % of revenue	*7.4%*	*6.0%*	***6.8%***	*2.3%*	*0.2%*	***1.5%***	**(0.1)%**	***5.3%***
Other income and expenses, net	(0.2)	(6.7)	**(6.9)**	(1.4)	(2.5)	**(3.9)**	(42.4)	**(53.2)**
Operating profit/(loss)	121.3	71.7	**193.0**	13.4	(1.5)	**11.9**	(44.7)	**160.2**
Net financial expense								**(111.6)**
Income tax								**(29.1)**
Profit for the period attributable to non-controlling interests								**(1.9)**
Profit for the period attributable to owners of the parent								**21.4**
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(25.0)	(20.3)	**(45.3)**	(30.5)	(25.0)	**(55.5)**	(1.3)	**(102.1)**
Other expenses with no cash impact	(2.1)	4.3	**2.1**	0.3	(0.4)	**(0.1)**	0.1	**2.1**
EBITDA	148.7	94.4	**243.1**	45.1	26.4	**71.4**	(1.1)	**313.4**

Nine months ended June 30, 2013 Unaudited (in € millions)	Contract Catering & Support Services			Concession Catering & Travel Retail			Headquarters, holding companies and purchasing entities	Group total
	France	International	**Total**	Europe excluding Áreas	Áreas	**Total**		
Revenue	**1,632.1**	**1,075.0**	**2,707.1**	**647.9**	**416.8**	**1,064.7**	**0.0**	**3,771.9**
Recurring operating profit/(loss)	131.7	62.8	**194.5**	19.5	(9.7)	**9.8**	(6.0)	**198.3**
Recurring operating profit/(loss) as a % of revenue	***8.1%***	***5.8%***	***7.2%***	***3.0%***	**(2.3)%**	***0.9%***	**(0.2)%**	***5.3%***
Other income and expenses, net	(1.9)	(5.3)	**(7.1)**	(0.6)	0.0	**(0.6)**	(28.8)	**(36.5)**
Operating profit/(loss)	129.8	57.5	**187.4**	18.9	(9.7)	**9.2**	(34.8)	**161.8**
Net financial expense								**(96.4)**
Income tax								**(27.1)**
Profit for the period attributable to non-controlling interests								**(6.6)**
Profit for the period attributable to owners of the parent								**44.9**
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(24.3)	(19.2)	**(43.5)**	(29.9)	(24.4)	**(54.3)**	(1.0)	**(98.9)**
Other expenses with no cash impact	(1.0)	(1.4)	**(2.4)**	1.0	(0.2)	**0.8**	(0.5)	**(2.1)**
EBITDA	157.0	83.4	**240.4**	48.4	14.9	**63.3**	(4.4)	**299.2**

− Revenue by operating segment and client sector

(in € millions)	Nine months ended June 30, 2014 Unaudited	% of total revenue	Nine months ended June 30, 2013 Unaudited	% of total revenue	Year-on-year change	% change
Contract Catering & Support Services						
Business & Industry	1,313.5	32.5%	1,241.9	32.9%	71.6	5.8%
Education	884.3	21.9%	814.0	21.6%	70.3	8.6%
Healthcare	754.1	18.7%	651.2	17.3%	102.9	15.8%
Sub-total: Contract Catering & Support Services	**2,951.9**	**73.1%**	**2,707.1**	**71.8%**	**244.8**	**9.0%**
Concession Catering & Travel Retail						
Airports	433.6	10.7%	408.7	10.8%	24.9	6.1%
Motorways	380.4	9.4%	362.1	9.6%	18.4	5.1%
City Sites & Leisure	274.7	6.8%	294.0	7.8%	(19.3)	(6.6)%
Sub-total: Concession Catering & Travel Retail	**1,088.7**	**26.9%**	**1,064.7**	**28.2%**	**24.0**	**2.3%**
Total	**4,040.7**	**100.0%**	**3,771.9**	**100.0%**	**268.8**	**7.1%**

- Revenue by geographical area

(in € millions)	Nine months ended June 30, 2014 Unaudited	% of total revenue	Nine months ended June 30, 2013 Unaudited	% of total revenue	Year-on-year change	% change
France	2,148.9	53.2%	2,142.8	56.8%	6.0	0.3%
Europe excluding France	1,459.7	36.1%	1,376.9	36.5%	82.7	6.0%
Other countries	432.1	10.7%	252.1	6.7%	180.0	71.4%
Total	**4,040.7**	**100.0%**	**3,771.9**	**100.0%**	**268.8**	**7.1%**

The definition of client sectors and the basis of measurement of segment profit or loss are unchanged from the annual consolidated financial statements for the year ended September 30, 2013.

b. Segment non-current assets

(in € millions) Nine months ended June 30, 2014 Unaudited	Contract Catering & Support Services France	 International	 Total	Concession Catering & Travel Retail Europe excluding Áreas	 Áreas	 Total	Headquarters, holding companies and purchasing entities	Group total
Revenue	1,652.0	1,300.0	**2,952.0**	658.2	430.6	**1,088.7**	0.0	**4,040.7**
Non-current assets	1,184.9	775.0	**1,959.9**	699.7	410.6	**1,110.4**	20.1	**3,090.4**

(in € millions) Nine months ended June 30, 2013 Unaudited	Contract Catering & Support Services France	 International	 Total	Concession Catering & Travel Retail Europe excluding Áreas	 Áreas	 Total	Headquarters, holding companies and purchasing entities	Group total
Revenue	1,632.1	1,075.0	**2,707.1**	647.9	416.8	**1,064.7**	0.0	**3,771.9**
Non-current assets	1,179.9	769.3	**1,949.1**	695.2	413.0	**1,108.2**	19.5	**3,076.8**

10. Business Combinations

In April 2013, the Group acquired 78% of the share capital of the US contract caterer, TrustHouse Services Group (THS). THS generates some $440 million in annual revenue and operates primarily in the Education, Healthcare and Corrections sectors.

The acquisition was carried out via the acquisition vehicle Gourmet Acquisition Holding (GAH), which was financed by a €100 million equity investment made by Elior Restauration & Services SA and the rollover of management shares in THS. At June 30, 2014 Elior owned 78% of GAH and the remaining 22% was held by members of THS' management team. In order to draw as little as possible on Elior's financial resources, the acquisition was also financed through a syndicated bank loan set up locally by GAH in an amount of $155 million (€118 million at inception) and maturing in April 2019.

Consequently, the acquisition cost of THS on a 100% basis, net of the cash acquired and including due diligence and legal fees totaled €235 million.

THS has been consolidated since April 15, 2013.

For the nine months ended June 30, 2014, THS contributed €243.2 million to consolidated revenue and €20.0 million to consolidated EBITDA, compared with respective amounts of €262.2 million and €21.2 million (both on a pro forma basis) for the corresponding prior-year period.

11. Other Income and Expenses, Net

For the nine months ended June 30, 2014 this item represented a net expense of €53.2 million and primarily included (i) €4.0 million in amortization of the intangible assets (customer relationships) recognized as part of the THS purchase price allocation process, (ii) a €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, (iv) €26.1 million in costs and fees incurred in connection with the IPO, and (v) an aggregate €16.1 million in costs related to the repayment of debt following the IPO (notably the penalty incurred as a result of redeeming in advance a portion of the Elior Finance & Co SCA May 2020 6.5% Senior Secured Notes, and the exceptional amortization of the issuance costs of the repaid debt that were previously capitalized and unamortized).

For the nine months ended June 30, 2013, "Other income and expenses, net" represented a net expense of €36.5 million and mainly corresponded to (i) €23.4 million in non-recurring advisory and due diligence fees related to the Amend & Extend process, (ii) restructuring costs for the Contract Catering & Support Services businesses in Spain and the Support Services business in France, and (iii) €5.1 million in costs incurred in connection with the early repayment of debt.

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 financial year. The estimated average annual tax rate used for the year ending September 30, 2014 is 27.0%. The tax rate used for the nine months ended June 30, 2013 was 21%.

The CVAE tax is accrued based on three quarters of the expected annual CVAE charge. The estimated CVAE charge for the nine months ended June 30, 2014 amounted to €21.9 million (€22.1 million for the corresponding prior-year period).

13. Dividends

No dividend for the year ended September 30, 2013 was paid by Elior (formerly HBI) during the nine months ended June 30, 2014.

A total dividend payout of €2.2 million was made during the nine months ended June 30, 2013, mainly to non-controlling shareholders of Áreas.

14. Goodwill

(in € millions)	At June 30, 2014	At Sept. 30, 2013	At June 30, 2013	At Sept. 30, 2012
Contract Catering & Support Services	1,670.3	1,724.8	1,737.0	1,531.7
Concession Catering & Travel Retail	686.9	686.8	711.5	699.2
Goodwill	**2,357.2**	**2,411.6**	**2,448.5**	**2,230.9**

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

The decrease in the total gross value of goodwill at June 30, 2014 compared with September 30, 2013 corresponds 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 the above-described reallocation amounted to €54.5 million.

The increase in goodwill between September 30, 2012 and June 30, 2013 primarily reflects the first-time consolidation of THS, including a correction to align the amount of goodwill initially presented in the published consolidated financial statements at June 30, 2013 with the full goodwill method which was applied in the annual consolidated financial statements at September 30, 2013.

15. Intangible Assets

(in € millions)	At Sept. 30, 2013	Additions	Disposals	Other movements (2)	At June 30, 2014
Concession rights	102.0	10.6	(1.3)	10.2	121.4
Assets operated under concession arrangements (1)	36.3	0.0	0.0	0.0	36.3
Trademarks	33.8	0.0	(0.0)	0.1	33.9
Software	90.8	4.0	(1.8)	1.5	94.5
Prepayments for intangible assets	28.6	8.1	0.0	(11.5)	25.1
Other	17.4	0.4	(0.3)	83.3	100.8
Gross value	**308.8**	**23.1**	**(3.5)**	**83.6**	**412.0**
Concession rights	(37.3)	(3.6)	0.4	5.2	(35.4)
Assets operated under concession arrangements (1)	(36.2)	(0.5)	0.0	(0.0)	(36.7)
Trademarks	(9.8)	(0.8)	0.0	0.0	(10.5)
Software	(69.3)	(6.3)	1.7	(0.2)	(74.0)
Other	(12.7)	(4.7)	0.6	(7.9)	(24.7)
Total amortization	**(165.3)**	**(15.9)**	**2.7**	**(2.9)**	**(181.4)**
Carrying amount	**143.4**	**7.2**	**(0.7)**	**80.7**	**230.6**

(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 relate to the final purchase price allocation for the THS acquisition in the USA as well as to identifiable intangible assets (customer relationships) and the related amortization (see Note 14 above).

(in € millions)	At Sept. 30, 2012	Additions	Disposals	Other movements	At June 30, 2013
Concession rights	97.7	0.8	(2.4)	(9.9)	86.2
Assets operated under concession arrangements (1)	36.3	0.0	0.0	0.0	36.3
Trademarks	27.6	10.7	(0.0)	(0.0)	38.2
Software	83.4	4.1	(0.1)	1.1	88.5
Prepayments for intangible assets	1.5	1.7	(0.0)	(3.5)	(0.3)
Other	19.8	1.1	(0.2)	0.1	20.7
Gross value	**266.4**	**18.3**	**(2.8)**	**(12.2)**	**269.7**
Concession rights	(38.5)	(2.9)	0.9	0.1	(40.5)
Assets operated under concession arrangements (1)	(35.2)	(0.8)	0.0	0.0	(36.0)
Trademarks	(7.9)	(0.7)	0.0	0.0	(8.5)
Software	(61.5)	(6.1)	0.1	0.2	(67.3)
Other	(15.2)	(0.6)	0.2	0.1	(15.5)
Total amortization	**(158.3)**	**(11.0)**	**1.2**	**0.4**	**(167.7)**
Carrying amount	**108.1**	**7.3**	**(1.5)**	**(11.9)**	**102.0**

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

16. Property, Plant and Equipment

(in € millions)	At Sept. 30, 2013	Additions	Disposals	Other movements	At June 30, 2014
Land	3.2	0.0	(0.1)	(0.0)	3.1
Buildings	151.0	8.9	(1.4)	0.5	159.1
Technical installations	765.1	57.8	(48.5)	(1.8)	772.6
Other items of property, plant and equipment	456.2	34.6	(12.5)	7.0	485.3
Assets under construction	22.6	13.5	(0.6)	(17.6)	17.9
Prepayments to suppliers of property, plant and equipment	2.5	1.7	(0.1)	(1.8)	2.3
Gross value	**1,400.6**	**116.5**	**(63.0)**	**(13.7)**	**1,440.3**
Buildings	(85.1)	(7.3)	1.5	0.0	(90.9)
Technical installations	(528.4)	(52.8)	46.4	4.0	(530.7)
Other items of property, plant and equipment	(297.6)	(34.3)	13.3	2.4	(316.1)
Total depreciation	**(911.1)**	**(94.3)**	**61.2**	**6.4**	**(937.8)**
Carrying amount	**489.5**	**22.1**	**(1.8)**	**(7.3)**	**502.5**

(in € millions)	At Sept. 30, 2012	Additions	Disposals	Other movements	At June 30, 2013
Land	1.9	0.6	0.0	0.7	3.2
Buildings	139.5	5.9	(4.0)	14.9	156.3
Technical installations	749.8	46.7	(20.2)	4.7	781.0
Other items of property, plant and equipment	428.7	19.0	(16.6)	23.7	454.8
Assets under construction	24.6	36.3	(1.3)	(12.1)	47.5
Prepayments to suppliers of property, plant and equipment	2.4	0.7	(0.1)	(1.8)	1.1
Gross value	**1,346.8**	**109.2**	**(42.1)**	**30.1**	**1,443.9**
Buildings	(77.8)	(7.2)	3.9	0.0	(81.1)
Technical installations	(503.2)	(49.4)	18.0	(9.8)	(544.4)
Other items of property, plant and equipment	(277.5)	(32.9)	16.7	1.6	(292.1)
Total depreciation	**(858.5)**	**(89.6)**	**38.7**	**(8.2)**	**(917.6)**
Carrying amount	**488.3**	**19.6**	**(3.5)**	**21.9**	**526.3**

17. Borrowings, Loans and Net Financial Expense

The Group's debt can be analyzed as follows:

(in € millions)	Original currency	At June 30, 2014 Amortized cost (1)	At Sept. 30, 2013 Amortized cost (1)
Bank overdrafts	**€**	30.8	30.6
Other short-term debt (including short-term portion of finance lease obligations)	**€ / $**	79.4	105.5
Sub-total – short-term debt		**110.2**	**136.1**
Syndicated loans (including THS loan)	**€ / $**	1,051.7	1,666.7
Other medium- and long-term borrowings	**€**	222.4	344.2
Factoring and securitized trade receivables	**€**	313.4	180.3
Other long-term debt (including finance lease obligations)	**€**	60.4	49.6
Sub-total – long-term debt		**1,647.9**	**2,240.8**
Total debt		**1,758.1**	**2,376.9**

(in € millions)	Original currency	At June 30, 2013 Amortized cost (1)	At Sept. 30, 2012 Amortized cost (1)
Bank overdrafts	**€ / $**	45.1	46.8
Other short-term debt (including short-term portion of finance lease obligations)	**€**	23.2	30.1
Sub-total – short-term debt		**68.4**	**76.9**
Syndicated loans (including THS loan)	**€ /$**	1,674.0	1,808.8
Other medium- and long-term borrowings	**€**	344.0	
Factoring and securitized trade receivables	**€**	178.1	134.0
Other long-term debt (including finance lease obligations)	**€ / $**	71.5	34.9
Sub-total – long-term debt		**2,267.6**	**1,977.7**
Total debt		**2,336.0**	**2,054.6**

(1) The amortized cost of bank borrowings is calculated taking into account the bank commissions payable on the Group's debt refinancing operations (Amend & Extend process and the Elior Finance & Co notes issue), which represented a net amount of €18.4 million at June 30, 2014 and €22.4 million at June 30, 2013.

The Group's net financial expense came to €111.6 million for the nine months ended June 30, 2014, versus €96.4 million for the nine months ended June 30, 2013, breaking down as follows:

(in € millions)	**Nine months ended June 30, 2014**	**Nine months ended June 30, 2013**
Interest expense on debt	(107.5)	(94.3)
Interest income on short-term financial investments	1.7	1.9
Other financial income and expenses (1)	(3.9)	(1.7)
Interest expense on post-employment benefit obligations (2)	(1.9)	(2.2)
Net financial expense	**(111.6)**	**(96.4)**
(1) Including:		
- Fair value adjustments on interest rate hedging instruments	*(1.1)*	*(0.1)*
- Disposal gains/(losses) and movements in provisions for impairment of shares in non-consolidated companies	*0.8*	*(0.9)*
- Amortization of debt issuance costs	*(3.6)*	*(1.2)*
- Net foreign exchange gain	*0.0*	*0.4*

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

The Group's net financial expense increased year on year mainly due to a higher average level of debt during the nine months ended June 30, 2014 than in the comparable prior-year period, particularly as a result of (i) the acquisition of THS in April 2013, and (ii) the 9-month interest rate impact of the Elior Finance & Co May 2020 6.5% Senior Secured Notes issue that took place in April 2013.

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

(in € millions)	**At June 30, 2014** Current	**At June 30, 2014** Non-current	**At Sept. 30, 2013** Current	**At Sept. 30, 2013** Non-current
Bank borrowings				
Medium-term borrowings – Elior SA (formerly HBI SCA)		200.1		405.1
Medium-term borrowings – Elior Participations SA and THS		863.2		1,278.9
Other medium- and long-term bank borrowings		47.5		37.0
Sub-total – bank borrowings	**0.0**	**1,110.7**	**0.0**	**1,721.0**
Other debt				
Elior Finance & Co SCA – May 2020 6.5% Senior Secured Notes		227.5		350.0
Finance leases	4.2	12.4	4.6	11.6
Other (1)	57.9	315.6	51.5	181.3
Bank overdrafts (2)	30.8		30.6	
Current accounts (2)	0.3		1.1	
Accrued interest on borrowings (2)	16.9		48.3	
Sub-total – other debt	**110.2**	**555.5**	**136.1**	**542.9**
Total debt	**110.2**	**1,666.3**	**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.

	At June 30, 2013	**At Sept. 30, 2012**

(in € millions)	Current	Non-current	Current	Non-current
Bank borrowings				
Medium-term borrowings – Elior SA (formerly HBI SCA)		405.1		642.4
Medium-term borrowings – Elior Participations SA and THS		1,285.3		1,172.2
Other medium- and long-term bank borrowings		58.6		21.0
Sub-total – bank borrowings	**0.0**	**1,749.0**	**0.0**	**1,835.6**
Other debt				.
Elior Finance & Co SCA – May 2020 6.5% Senior Secured Notes		350.0		
Finance leases	5.0	11.8	5.0	12.9
Other (1)	1.8	179.2	17.3	135.0
Bank overdrafts (2)	45.1		46.8	
Current accounts (2)	0.6		1.8	
Accrued interest on borrowings (2)	15.9		6.0	
Sub-total – other debt	**68.4**	**541.0**	**76.9**	**147.9**
Total debt	**68.4**	**2,290.0**	**76.9**	**1,983.5**

(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 the end of each quarter. None of the covenants had been breached at either June 30, 2014 or 2013.

18. Short- and Long-Term Provisions

(in € millions)	At June 30, 2014	At Sept. 30, 2013
Commercial risks	3.4	8.6
Employee-related disputes	15.1	16.8
Reorganization costs	10.0	21.1
Tax risks	24.9	24.3
Employee benefits	11.2	8.7
Other	15.2	21.8
Short-term provisions	**79.8**	**101.3**
Employee benefits	98.9	97.6
Non-renewal of concession contracts	8.5	8.4
Other	3.1	5.1
Long-term provisions	**110.5**	**111.1**
Total	**190.3**	**212.4**

(in € millions)	At June 30, 2013	At Sept. 30, 2012
Commercial risks	8.5	8.6
Employee-related disputes	13.5	14.5
Reorganization costs	8.6	15.8
Tax risks	2.2	2.3
Employee benefits	9.6	9.2
Other	14.7	24.3
Short-term provisions	**57.0**	**74.7**
Employee benefits	97.7	95.4
Non-renewal of concession contracts	9.3	7.8
Other	5.5	8.0
Long-term provisions	**112.4**	**111.2**
Total	**169.4**	**185.9**

19. Related Party Transactions

Following the Company's stock market floatation on June 11, 2014 the service and consulting agreements between Elior and SOFIBIM and ORI Investissements were terminated.

A total of €963,000 was paid under these agreements during the nine months ended June 30, 2014 (versus €1,533,000 during the nine months ended June 30, 2013). This amount included salaries, social security contributions and other costs incurred by SOFIBIM and ORI Investissements for the performance of their services.

Also in connection with the Company's floatation, Bercy Présidence was merged into Elior on June 11, 2014. This company was chaired by Gilles Petit and controlled by Charterhouse and Chequers and acted as the Managing Partner of Elior when Elior was a partnership limited by shares (SCA).

In accordance with a decision taken by the Company’s shareholders on November 19, 2009, Bercy Présidence received €382,000 in the nine months ended June 30, 2014, corresponding to remuneration payable in its capacity as Managing Partner of Elior for the period from October 1, 2013 to June 11, 2014 (€412,500 for the period from October 1, 2012 to June 30, 2013).

No other expenses or financial benefits were recorded during the period in relation to Elior's executive officers.

20. Events after the Balance Sheet Date

None.