May 2014

Elior SCA

(formerly Holding Bercy Investissement)

Interim Report

October 1, 2013 - March 31, 2014

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61/69 rue de Bercy – 75589 Paris Cedex 12, Paris, France – Tel.: +33 (0)1 40 19 50 78 – Fax: +33 (0)1 40 19 51 65
www.elior.com

Elior
Société en commandite par actions
Share capital: €1,395,220.58
Registered in Paris under no. 408 168 003
Registered office: 61/69, rue de Bercy - 75012 Paris, France

ANALYSIS OF THE GROUP'S RESULTS FOR THE SIX-MONTH PERIODS ENDED MARCH 31, 2014 AND MARCH 31, 2013

The following management discussion and analysis ("MD&A") of the financial position and results of operations of Elior SCA (formerly Holding Bercy Investissement) should be read in conjunction with the appended consolidated financial statements of Elior SCA for the six-month period ended March 31, 2013. Elior SCA is therefore the parent company of the Elior Group.

Results of Operations

Comparison of the six months ended March 31, 2014 March 31, 2014

	Six months ended March 31,	
	2013	**2014**
	in € millions	
Revenue	**2,445.4**	**2,671.9**
Purchase of raw materials and consumables	(721.7)	(808.3)
Personnel costs	(1,169.9)	(1,241.2)
Other operating expenses	(337.1)	(391.1)
Taxes other than on income	(24.2)	(31.6)
Share of profit of associates	0.6	0.8
EBITDA	**193.1**	**200.5**
Depreciation, amortization and provisions for recurring operating items	(66.5)	(69.7)
Recurring operating profit including share of profit of associates	**126.6**	**130.8**
Other income and expenses, net	(13.1)	(9.4)
Operating profit including share of profit of associates	**113.5**	**121.4**
Net financial expense	(59.4)	(76.9)
Profit before income tax	**54.1**	**44.5**
Income tax	(23.0)	(23.9)
Profit for the period	**31.1**	**20.6**

Revenue

Consolidated revenue increased by €226.5 million, or 9.3%, to €2,671.9 million for the six months ended March 31, 2014 from €2,445.4 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 consolidation scope and foreign currency effect for each operating segment individually and for the Group as a whole.

	Six months ended March 31,			
	2013		**2014**	
	in € millions and % of total			
Revenue by segment				
Contract Catering & Support Services	1,772.0	*72.5%*	1,990.3	*74.5%*
Concession Catering & Travel Retail	673.3	*27.5%*	681.5	*25.5%*
Total	**2,445.4**	***100%***	**2,671.9**	***100%***

	Contract Catering & Support Services		Concession Catering & Travel Retail		Group total	
	in € millions	% growth	in € millions	% growth	in € millions	% growth
Revenue for the six months ended March 31, 2013	**1,772.0**		**673.3**		**2,445.4**	
Organic growth	57.0	*+3.2%*	27.0	*+4.0%*	84.0	*+3.4%*
Changes in consolidation scope	163.3	*+9.2%*	(10.7)	*-1.6%*	152.6	*+6.2%*
Foreign currency effect	(2.0)	*-0.1%*	(8.1)	*-1.2%*	(10.1)	*-0.4%*
Revenue for the six months ended March 31, 2014	1,990.3	*+12.3%*	681.5	*+1.2%*	2,671.9	*+9.3%*

The overall year-on-year rise in consolidated revenue includes organic growth of 3.7% during the period (or 3.4% net of the adverse impact of the lower number of working days in the contract catering business in France compared with the same period of FY 2012-2013), reflecting an acceleration in the pace of growth following the 2.3% increase recorded for the first three months of the financial year.

Acquisition-led growth drove up revenue by a net 6.2% in the six months ended March 31, 2014, mainly due to the consolidation of the U.S. contract caterer THS since April 15, 2013. However, the positive impact of the THS acquisition was partially offset by the divestments of (i) Hold & Co UK and Honoré James (an event caterer operating in the City Sites & Leisure sector within the Concession Catering & Travel Retail segment in France), which have been deconsolidated since February and June 2013 respectively, and (ii) concession catering operations run by Áreas in Argentina and Morocco, effective December 1, 2013.

The foreign currency effect was a negative 0.4% during the six months ended March 31, 2014, chiefly due to changes in value of the U.S. dollar, Mexican peso and pound sterling against the euro.

Contract Catering & Support Services

Revenue from the Group's Contract Catering & Support Services segment increased by €218.3 million, or 12.3%, to €1,990.3 million for the six months ended March 31, 2014 from €1,772.0 million for the corresponding prior-year period.

The following table splits out revenue growth between organic growth, changes in consolidation scope and foreign currency effect for each of the three sectors of the Contract Catering & Support Services segment.

	Business & Industry		Education		Healthcare		Total Contract Catering & Support Services	
	in € millions	% growth	in € millions	% growth	in € millions	% growth	in € millions	% growth
Revenue for the six months ended March 31, 2013	**829.7**		**541.0**		**401.3**		**1,772.0**	
Organic growth	23.9	*+2.9%*	17.2	*+3.2%*	15.8	*+3.9%*	57.0	*+3.2%*
Changes in consolidation scope	24.6	*+3.0%*	54.9	*+10.1%*	83.8	*+20.9%*	163.3	*+9.2%*
Foreign currency effect	(1.7)	*+0.2%*	(0.2)	*0.0%*	(0.1)	*0.0%*	(2.0)	*-0.1%*
Revenue for the six months ended March 31, 2014	876.5	*+5.6%*	613.0	*+13.3%*	500.9	*+24.8%*	1,990.3	*+12.3%*

Organic growth for the period was 3.6%, or 3.2% net of the adverse 0.4% (€7.0 million) impact of the lower number of working days in the Business & Industry and Education sectors in France compared with the same period of FY 2012-2013.

The year-on-year revenue increase posted by Contract Catering & Support Services was also propelled by the acquisition of THS in the United States in April 2013, which operates mainly in the Education and Healthcare sectors of the Contract Catering & Support Services segment and generated €165.3 million in revenue for the six months ended March 31, 2014. This positive impact was, however, partially offset by the €2.0 million decrease in revenue caused by the divestment of Hold & Co UK in February 2013. Altogether, acquisitions drove up Contract Catering & Support Services revenue by a net 9.2%. The foreign currency effect for the period was a negative 0.1%.

Business & Industry

Revenue for the Business & Industry sector climbed €46.8 million, or 5.6%, to €876.5 million for the six months ended March 31, 2014 from €829.7 million in the equivalent prior-year period. This revenue rise was led by the acquisition of THS – which generated €26.6 million worth of external growth revenue for the six months ended March 31, 2014 – although this positive impact was partially offset by the €2.0 million revenue erosion caused by the deconsolidation of Hold & Co UK in February 2013. The sector's net revenue increase attributable to acquisitions was 3.0%. The year-on-year revenue rise reported by the Business & Industry sector also reflects the combined impact of 2.9% organic growth over the period and a 0.2% negative foreign currency effect due to the change in the value of the pound sterling against the euro.

The positive organic growth figure for the Business & Industry sector reflects growth experienced by the Group's French operations in the Contract Catering & Support Services segment. Organic growth in France mainly stemmed from higher like-for-like sales due to an increase in the average price per meal.

Organic growth in the United Kingdom was adversely affected by challenging economic conditions in that country which led to headcount reductions and site closures for the Group's clients. In Italy, the impact of the voluntary termination of a number of unprofitable contracts (particularly in the facilities management business) was offset by the positive effect of a major new on-board train catering contract which took effect in November 2013. Meanwhile, the Business & Industry sector in Spain reported higher sales due to the opening of new sites.

Education

Revenue reported by the Education sector advanced by €72.0 million, or 13.3%, to €613.0 million for the six months ended March 31, 2014 from €541.0 million for the corresponding prior-year period. This rise primarily reflects the acquisition of THS, which generated €54.9 million in additional revenue for the six months ended March 31, 2014, representing revenue growth of 10.1%. The overall increase in revenue from the Education sector also included 3.2% organic growth over the period, while there was a slight negative foreign currency effect.

The positive organic growth figure for the Education sector reflects a rise in revenue for the Group's French Contract Catering operations despite the negative impact caused by fewer school days compared with the prior-year period. This satisfactory performance was achieved thanks to higher like-for-like sales due to an increase in the number of guests and the average price per meal. The United Kingdom and Spain also registered a satisfactory growth rate due to new site openings and the fact that Holy Week in Spain took place in April in 2014 whereas it was in March the previous year.

Healthcare

Revenue from the Healthcare sector increased by €99.6 million, or 24.8%, to €500.9 million for the six months ended March 31, 2014 from €401.3 million for the same period of FY 2012-2013 The revenue rise was primarily due to the acquisition of THS, which generated €83.8 million in additional revenue for the six months ended March 31, 2014, representing revenue growth of 20.9%.

The increase in revenue in the Healthcare sector was also attributable to organic growth of 3.9% during the period whereas the foreign currency effect was slightly negative. This 3.9% organic growth figure reflects satisfactory growth in the Group's Healthcare sector in France (with an increase in like-for-like sales as well as new contracts), and high growth in Spain and Portugal, mainly fueled by new contracts.

Concession Catering & Travel Retail

Revenue from the Group's Concession Catering & Travel Retail segment increased by €8.2 million, or 1.2%, to €681.5 million for the six months ended March 31, 2014 from €673.3 million in the corresponding prior-year period.

The following table splits out revenue growth between organic growth, changes in consolidation scope and foreign currency effect for each of the three sectors of the Concession Catering & Travel Retail segment.

	Airports		Motorways		City Sites & Leisure		Total Concession Catering & Travel Retail	
	in € millions	% growth	in € millions	% growth	in € millions	% growth	in € millions	% growth
Revenue for the six months ended March 31, 2013	**252.6**		**225.7**		**195.1**		**673.3**	
Organic growth	24.9	*+9.8%*	7.7	*+3.4%*	(5.5)	*-2.8%*	27.0	*+4.0%*
Changes in consolidation scope	(4.3)	*-1.7%*	0.0	*0.0%*	(6.5)	*-3.3%*	(10.7)	*-1.6%*
Foreign currency effect	(4.8)	*-1.9%*	(1.4)	*-0.6%*	(2.0)	*-1.0%*	(8.1)	*–1.2%*
Revenue for the six months ended March 31, 2014	**268.4**	*+6.3%*	**232.0**	*+2.8%*	**181.1**	*-7.2%*	**681.5**	*+1.2%*

The increase in the Group's Concession Catering & Travel Retail revenue reflects the combined impact of (i) a buoyant 4.0% rate of organic growth, (ii) a 1.6% negative impact from changes in consolidation scope, due to the divestment of Honoré James (an event caterer operating in the City Sites & Leisure sector in France) in June 2013, and the sale of the Group's concession catering operations in Argentina and Morocco in December 2013, and (iii) a negative 1.2% foreign currency effect, mainly resulting from changes in the value of the U.S. dollar, Chilean peso and Mexican peso.

Airports

Revenue reported by the Airports sector increased by €15.8 million, or 6.3%, to €268.4 million for the six months ended March 31, 2014 from €252.6 million for the corresponding prior-year period. This increase reflects the combined impact of (i) an organic revenue rise of 9.8% over the period, (ii) the sale of the Group's concession catering operations in Argentina and Morocco, which trimmed 1.7%, or €4.3 million, off the sector's revenue, and (iii) a negative 1.9% foreign currency effect. The 9.8 % organic revenue rise was chiefly driven by organic revenue growth in the United States, which was high due to the start-up of food and beverage services at Los Angeles International Airport and a ramp-up in business at other airports. In addition, the sector achieved a satisfactory growth rate in Mexico, Italy, Spain and Portugal, due to new store openings under existing contracts.

France – which along with Spain is a traditional core market for the Group's Airports sector – likewise experienced organic revenue growth, thanks to a new contract signed with Basel-Mulhouse-Freiburg airport in October 2013 and higher business volumes with Roissy CDG airport in Paris. These positive effects were, partially offset, however, by the loss of the Group's food and beverage services contract with Bordeaux airport in France.

Motorways

Revenue from the Motorways sector rose by €6.3 million, or 2.8%, to €232.0 million for the six months ended March 31, 2014 from €225.7 million in the corresponding prior-year period, reflecting the combined impact of (i) organic revenue growth of €7.7 million, or 3.4%, and (ii) a negative 0.6% foreign currency effect.

The 3.4% overall organic growth achieved during the period was primarily due to high organic growth in Germany and the United States. In Germany this was attributable to both new motorway concessions and additional points of sale in existing motorway rest areas. The organic growth performance in the United States was driven by the higher revenue generated by the Florida Turnpike contract following the reopening of points of sale that were partially closed in the prior-year period due to renovation works.

These growth figures were partly offset by an organic revenue decline in the sector's traditional markets (France, Spain and Italy), primarily resulting from (i) for France, the non-renewal of contracts for a number of gasoline stations operated by the Group under rental-management agreements, (ii) for Spain and Italy, the countries' general economic difficulties, which led to a steady, although slower, reduction in traveler numbers and spending, and (iii) the fact that the Easter weekend/school vacation period was in April in 2014 compared with March in 2013.

City Sites & Leisure

Revenue from the City Sites & Leisure sector decreased by €14.0 million, or 7.2%, to €181.0 million for the six months ended March 31, 2014 from €195.1 million in the corresponding prior-year period. This revenue decline was due to (i) the divestment of Honoré James in France and, to a lesser extent, the sale of the Group's concession catering operations in Argentina, which took place in June and December 2013 respectively and had a 3.3% negative effect on revenue (representing €6.5 million), (ii) a 2.8% (or €5.5 million) organic decrease in revenue, and (iii) a 1.0% negative foreign currency effect.

The 2.8% organic revenue decrease was primarily attributable to negative organic growth in France, chiefly due to a basis of comparison effect as trade fairs that take place every two years (including the Paris motor show) were held during the six months ended March 31, 2013, although this was partially offset by the positive impact of the opening of new restaurants and points of sale at Gare de Lyon railway station in Paris.

Purchase of Raw Materials and Consumables

This item increased by €86.6 million, or 12.0%, to €808.3 million for the six months ended March 31, 2014 from €721.7 million in the corresponding prior-year period.

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

	Six months ended March 31,			
	2013		**2014**	
	in € millions and % of revenue			
Purchase of raw materials and consumables				
Contract Catering & Support Services	(533.1)	*30.1%*	(614.5)	*30.9%*
Concession Catering & Travel Retail	(198.8)	*29.5%*	(203.9)	*29.9%*
Headquarters, holding companies and purchasing entities	10.2	—	10.1	—
Total	**(721.7)**	***29.5%***	**(808.3)**	***30.3%***

Contract Catering & Support Services

Purchases of raw materials and consumables in the Contract Catering & Support Services segment rose by €81.4 million, or 15.3%, to €614.5 million for the six months ended March 31, 2014 from €533.1 million in the corresponding prior-year period. The acquisition of THS in April 2013 contributed €74.4 million to the year-on-year increase.

The segment's purchases of raw materials and consumables rose as a percentage of revenue to 30.9% from 30.1%, chiefly as a result of 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 0.5 of a percentage point lower than in the first half 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 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.

Concession Catering & Travel Retail

Purchases of raw materials and consumables in the Concession Catering & Travel Retail segment increased by €5.1 million, or 2.6%, to €203.9 million for the six months ended March 31, 2014 from €198.8 million in the corresponding prior-year period, 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.

Personnel Costs

Consolidated personnel costs rose by €71.3 million, or 6.1%, to €1,241.2 million for the six months ended March 31, 2014 from €1,169.9 million in the equivalent period of FY 2012-2013, but decreased as a percentage of revenue to 46.5% from 47.8%.

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

	Six months ended March 31,			
	2013		2014	
	in € millions and % of revenue			
Personnel costs				
Contract Catering & Support Services	(891.1)	*50.3%*	(966.5)	*48.6%*
Concession Catering & Travel Retail	(259.0)	*38.5%*	(253.6)	*37.2%*
Headquarters, holding companies and purchasing entities[1]	(19.8)	—	(21.1)	—
Total	**(1,169.9)**	*47.8%*	**(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 specific operating segments. They are therefore recorded as a credit under "Other operating expenses" within the Headquarters, holding companies and purchasing entities segment.

Contract Catering & Support Services

Personnel costs in the Contract Catering & Support Services segment increased by €75.4 million, or 8.5%, to €966.5 million for the six months ended March 31, 2014 from €891.1 million in the corresponding prior-year period. The rise was mainly due to the effect of the acquisition of THS (which accounted for €58.0 million of the overall increase) and, to a lesser extent, an increase in personnel costs (in line with revenue growth) for the Group's French operations.

As a percentage of revenue, the segment's personnel costs decreased to 48.6% 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.

Concession Catering & Travel Retail

Personnel costs in the Concession Catering & Travel Retail segment edged back by €5.4 million, or 2.1%, to €253.6 million for the six months ended March 31, 2014 from €259.0 million in the corresponding prior-year period. This year-on-year reduction was primarily due to a decrease in personnel costs in France in line with the segment's contraction in revenue.

As a percentage of revenue, personnel costs for the Concession Catering & Travel Retail segment contracted to 37.2% from 38.5%. This decrease was mainly attributable to 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 last year).

Other Operating Expenses

Other operating expenses increased by €54.0 million, or 16.0%, to €391.1 million in the six months ended March 31, 2014 from €337.1 million in the corresponding prior-year period.

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

	Six months ended March 31,			
	2013		2014	
	in € millions and % of revenue			
Other operating expenses				
Contract Catering & Support Services	(164.3)	*9.3%*	(210.4)	*10.6%*
Concession Catering & Travel Retail	(181.0)	*26.9%*	(188.7)	*27.7%*
Headquarters, holding companies and purchasing entities[1]	8.2	—	8.0	—
Total	**(337.1)**	*13.8%*	**(391.1)**	*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 are mainly composed of personnel costs.

Contract Catering & Support Services

Other operating expenses reported for the Contract Catering & Support Services segment increased by €46.1 million, or 28.1%, to €210.4 million for the six months ended March 31, 2014 from €164.3 million in the corresponding prior-year period. The acquisition of THS accounted for €12.7 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 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 10.6% from 9.3%, primarily as a result of the increase in subcontracting costs.

Concession Catering & Travel Retail

Other operating expenses in the Concession Catering & Travel Retail segment increased by €7.7 million, or 4.3%, to €188.7 million for the six months ended March 31, 2014 from €181.0 million in the corresponding prior-year period. Áreas was the main contributor to the year-on-year rise due to its higher business volumes. As a percentage of revenue, other operating expenses inched up to 27.7% from 26.9%.

Taxes other than on Income

This item rose by €7.4 million overall, or 30.6%, to €31.6 million for the six months ended March 31, 2014 from €24.2 million in the equivalent prior-year period. The following table sets out taxes other than on income by segment for the periods indicated and as a percentage of the revenue of each segment.

	Six months ended March 31,			
	2013		**2014**	
	in € millions and % of revenue			
Taxes other than on income				
Contract Catering & Support Services	(15.7)	*0.9%*	(22.6)	*1.1%*
Concession Catering & Travel Retail	(7.4)	*1.1%*	(7.8)	*1.1%*
Headquarters, holding companies and purchasing entities	(1.0)	—	(1.1)	—
Total	**(24.2)**	***1.0%***	**(31.6)**	***1.2%***

Contract Catering & Support Services

Taxes other than on income for the Contract Catering & Support Services segment increased by €6.9 million, or 43.9%, to €22.6 million for the six months ended March 31, 2014 from €15.7 million in the corresponding prior-year period. The acquisition of THS accounted for €6.2 million of this year-on-year rise.

Concession Catering & Travel Retail

Taxes other than on income for the Concession Catering & Travel Retail segment edged up by €0.4 million, or 5.4%, to €7.8 million for the six months ended March 31, 2014 from €7.4 million in the corresponding prior-year period. As a percentage of revenue, however, they remained unchanged.

EBITDA

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

	Six months ended March 31,			
	2013		2014	
	in € millions and % of revenue			
EBITDA				
Contract Catering & Support Services	167.8	*9.5%*	176.3	*8.9%*
Concession Catering & Travel Retail	27.7	*4.1%*	28.4	*4.2%*
Headquarters, holding companies and purchasing entities	(2.4)	—	(4.2)	—
Total	**193.1**	*7.9%*	**200.5**	*7.5%*

Consolidated EBITDA increased by €7.4 million, or 3.8%, to €200.5 million for the six months ended March 31, 2014 from €193.1 million in the equivalent prior-year period. As a percentage of revenue, consolidated EBITDA contracted to 7.5% from 7.9% (see below for an analysis by segment).

Contract Catering & Support Services

EBITDA for the Contract Catering & Support Services segment increased by €8.5 million, or 5.1%, to €176.3 million for the six months ended March 31, 2014 from €167.8 million in the same period of FY 2012-2013. The year-on-year increase was mainly due to the acquisition of THS, although this positive impact was partially offset by (i) an erosion of margins in France, notably in the Business & Industry and Education sectors, due to the lower number of working days than in the first half of FY 2012-2013 (which had an estimated €2.2 million negative effect), (ii) start-up costs for a number of new contracts, and, albeit to a lesser extent, (iii) the sales and marketing drive undertaken to accompany the segment's ongoing business development. The segment's international subsidiaries turned in satisfactory performances during the period, particularly Elior Ristorazione in Italy, whose EBITDA margin increased in line with its revenue growth, and Serunión in Spain, whose EBITDA margin held firm compared with the six months ended March 31, 2013.

As a percentage of revenue, the segment's EBITDA came to 8.9% versus 9.5% in the first half of FY 2012-2013.

Concession Catering & Travel Retail

EBITDA for the Concession Catering & Travel Retail segment rose by €0.7 million, or 2.5%, to €28.4 million for the six months ended March 31, 2014 from €27.7 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, thanks to new contractual conditions and on-site productivity gains. The segment's other markets in France saw margin erosions, however, particularly in the Motorways sector.

As a percentage of revenue, the segment's EBITDA edged up to 4.2% from 4.1%.

Depreciation, Amortization and Provisions for Recurring Operating Items

Consolidated depreciation, amortization and provisions for recurring operating items rose by €3.2 million, or 4.8%, to €69.7 million in the six months ended March 31, 2014 from €66.5 million in the corresponding prior-year period.

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

	Six months ended March 31,			
	2013		2014	
	in € millions and % of revenue			
Depreciation, amortization and provisions for recurring operating items				
Contract Catering & Support Services	(30.0)	*1.7%*	(32.9)	*1.7%*
Concession Catering & Travel Retail	(35.1)	*5.2%*	(36.0)	*5.3%*
Headquarters, holding companies and purchasing entities	(1.4)	—	(0.8)	—
Total	**(66.5)**	***2.7%***	**(69.7)**	***2.6%***

Contract Catering & Support Services

Depreciation, amortization and provisions for recurring operating items for the Contract Catering & Support Services segment increased by €2.9 million, or 9.7%, to €32.9 million for the six months ended March 31, 2014 from €30.0 million in the corresponding prior-year period, primarily reflecting the acquisition of THS.

Concession Catering & Travel Retail

Depreciation, amortization and provisions for recurring operating items for the Concession Catering & Travel Retail segment edged up by €0.9 million, or 2.6%, to €36.0 million for the six months ended March 31, 2014 from €35.1 million in the corresponding prior-year period. This increase was primarily attributable to capital expenditure for Áreas' new contracts in the United States and Spain.

Other Income and Expenses, Net

This item represented a net expense of €9.4 million overall for the six months ended March 31, 2014, chiefly reflecting (i) 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 disposal loss recognized on the sale of the Group's subsidiary in Argentina, (iii) the discount fee paid on the sale in March 2014 of the CICE tax receivable for 2013, and (iv) costs and fees incurred in connection with the Company's IPO.

For the six months ended March 31, 2013, "Other Income and Expenses, Net" represented a net expense of €13.1 million and mainly corresponded to (i) non-recurring advisory and due diligence fees related to the Amend & Extend process, and (ii) restructuring costs for the Contract Catering & Support Services businesses in Spain and the Support Services business in France.

Net Financial Expense

Net financial expense increased by €17.5 million, or 31.1%, to €76.9 million for the six months ended March 31, 2014 from €59.4 million in the corresponding prior-year period. This increase was mainly due to the Group's higher level of debt as a result of acquisitions as well as higher margins payable on its syndicated credit facilities and the Elior Finance & Co SCA notes following the Amend & Extend process and the Senior Secured Notes issue carried out in April 2013.

Income Tax

The Group's income tax expense edged up by €0.9 million, or 3.9%, to €23.9 million for the six months ended March 31, 2014 from €23.0 million in the same period of FY 2012-2013. The year-on-year rise was primarily attributable to (i) the acquisition of THS (which had a €2.3 million impact) and (ii) an increase in the tax expense recorded in Italy (as a corporate income tax benefit had been recognized in the prior-year period), although these adverse effects were partially offset by a lower income tax charge on taxable profit in France.

Profit for the Period

As a result of the above-described factors, and particularly the higher net financial expense, the Group reported profit of €20.6 million for the six months ended March 31, 2014 versus €31.1 million for the six months ended March 31, 2013.

CONSOLIDATED CASH FLOWS FOR THE SIX-MONTH PERIODS ENDED MARCH 31, 2013 AND MARCH 31, 2014

The following table provides an overview of the Group's cash flows for the six-month periods ended March 31, 2013 and March 31, 2014

	Six months ended March 31,	
	2013	**2014**
	in € millions	
Net cash from/(used in) operating activities	(54.3)	11.3
Net cash used in investing activities	(108.0)	(100.0)
Net cash from financing activities	130.5	150.0
Effect of exchange rate and other changes	(1.5)	(2.8)
Net increase/(decrease) in cash and cash equivalents	**(33.3)**	**58.6**

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, 2013 and March 31, 2014.

	Six months ended March 31,	
	2013	**2014**
	in € millions	
EBITDA	193.1	200.5
Change in working capital	(165.0)	(91.3)
Interest paid	(56.1)	(74.1)
Tax paid	(0.3)	0.1
Other (including dividends received from associates)	(26.0)	(24.0)
Net cash from/(used in) operating activities	**(54.3)**	**11.3**

Operating activities generated a net cash inflow of €11.3 million in the six months ended March 31, 2014 versus a net cash outflow of €54.3 million in the first half of FY 2012-2013. The year-on-year positive swing reflects movements in all of this item's components during the period.

Change in working capital

Change in working capital resulted in a lower cash outflow in the six months ended March 31, 2014 (€91.3 million) than in the same period of FY 2012-2013 (€165.0 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 six months ended March 31, 2014 than in the corresponding prior-year period.

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 inflow of €0.1 million in the six months ended March 31, 2014 versus a net cash outflow of €0.3 million in the six months ended March 31, 2013.

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 six-month periods ended March 31, 2013 and 2014, other cash flows from operating activities represented net cash outflows of €26.0 million and €24.0 million, respectively. The figure for the six months ended March 31, 2014 primarily related to restructuring costs incurred by Áreas in Spain, which had been provisioned until September 30, 2013, and the Group's recent acquisitions of Ansamble and Gemeaz.

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, 2013 and March 31, 2014.

	Six months ended March 31,	
	2013	**2014**
	in € millions	
Purchases of and proceeds from sale of property, plant and equipment and intangible assets	(95.2)	(95.6)
Purchases of and proceeds from sale of non-current financial assets	7.7	(2.6)
Acquisition/sale of shares in consolidated companies	(20.5)	(1.8)
Net cash used in investing activities	**(108.0)**	**(100.0)**

Net cash used in investing activities totaled €108.0 million for the six months ended March 31, 2013 and €100.0 million for the six months ended March 31, 2014.

Capital expenditure

Total consolidated cash used for capital expenditure (net of proceeds from sales) remained stable year on year, at €95.2 million and €95.6 million in the six-month periods ended March 31, 2013 and 2014, respectively.

The figure for the Contract Catering & Support Services segment came to €35.5 million for the six months ended March 31, 2013 and €37.0 million for the six months ended March 31, 2014, representing 2.0% and 1.9% 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 €58.3 million for the six months ended March 31, 2013 and €55.9 million for the six months ended March 31, 2014, representing 8.7% and 8.2% 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 City Sites & Leisure sector in October 2013, 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 €1.5 million and €2.7 million in the six-month periods ended March 31, 2013 and 2014 respectively, and primarily corresponded to purchases of software and hardware.

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

The consolidated net cash outflow of €2.6 million related to "Purchases of and proceeds from sale of non-current financial assets" in the six months ended March 31, 2014 mainly reflects an increase in loans and deposits.

The consolidated net cash inflow of €7.7 million generated from this item in the six months ended March 31, 2013 mainly 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.

Acquisition/sale of shares in consolidated companies

For the six months ended March 31, 2013, acquisitions and sales of shares in consolidated companies represented a net cash outflow of €20.5 million and mostly related to (i) the payment of €19.2 million to non-controlling shareholders following the exercise of the put option on 9.25% of the share capital of Serunión, which is now wholly owned by the Group, and (ii) deferred payments concerning the Group's prior-period acquisitions of Copra and Gemeaz in Italy.

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), offset by (ii) proceeds received during the period from the sale of the Group's subsidiaries in Argentina and Morocco.

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, 2013 and March 31, 2014.

	Six months ended March 31,	
	2013	**2014**
	in € millions	
Movements in share capital of the parent and in shareholder loans	(0.0)	(0.0)
Dividends paid to non-controlling interests in consolidated companies	(2.4)	(0.4)
Proceeds from borrowings	142.2	186.4
Repayments of borrowings	(9.2)	(35.9)
Net cash from financing activities	**130.5**	**150.0**

Net cash from financing activities totaled €150.0 million and €130.5 million in the six-month periods ended March 31, 2014 and 2013 respectively.

Movements in share capital of the parent and in shareholder loans

There were no movements in share capital during the six-month periods ended March 31, 2013 and 2014.

Dividends paid to non-controlling interests in consolidated companies

This item represented net cash outflows of €2.4 million and €0.4 million for the six-month periods ended March 31, 2013 and 2014, respectively, and mainly corresponded to dividends paid to non-controlling shareholders of MyChef.

Proceeds from borrowings

Consolidated cash inflows from proceeds from borrowings totaled €142.2 million and €186.4 million in the six-month periods ended March 31, 2013 and 2014 respectively.

In the six months ended March 31, 2013, these proceeds mainly corresponded to (i) €47.4 million from new securitized receivables, (ii) €39.8 million drawn down under a new financing arrangement set up by Áreas to fund its capital expenditure in the United States, and (iii) €50.0 million drawn down under the 2016 Revolving Facility 1.

In the six months ended March 31, 2014, this item primarily corresponded to (i) €124.4 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) €57.9 million drawn down by Áreas under a bank credit facility to refinance its borrowings and fund its capital expenditure in the United States.

Repayments of borrowings

Repayments of borrowings led to net cash outflows of €9.2 million and €35.9 million in the six-month periods ended March 31, 2013 and 2014 respectively. These repayments mainly related to finance lease liabilities and various bank borrowings of subsidiaries (notably Áreas in the six months ended March 31, 2014).

Effect of exchange rate and other changes

In the six months ended March 31, 2014, fluctuations in exchange rates and other changes had a negative €2.8 million cash impact. This overall negative effect reflects 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, and (ii) favorable currency effects on consolidated cash and cash equivalents, offset by (iii) bank fees paid in connection with the Group's debt repricing.

Fluctuations in exchange rates and other changes had a negative cash impact in the six months ended March 31, 2013, mainly due to unfavorable currency effects on consolidated cash and cash equivalents.

Elior SCA (formerly Holding Bercy Investissement)

Condensed Interim Consolidated Financial Statements

for the Six-Month Periods Ended March 31, 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	Six months ended March 31, 2014 Unaudited	Six months ended March 31, 2013 Unaudited
Revenue	**9.a**	**2,671.9**	**2,445.4**
Purchase of raw materials and consumables		(808.3)	(721.7)
Personnel costs		(1,241.2)	(1,169.9)
Other operating expenses		(391.1)	(337.1)
Taxes other than on income		(31.6)	(24.2)
Depreciation, amortization and provisions for recurring operating items		(69.7)	(66.5)
Recurring operating profit		**130.0**	**126.1**
Share of profit of associates		0.8	0.6
Recurring operating profit including share of profit of associates	**9.b**	**130.8**	**126.6**
Other income and expenses, net	11	(9.4)	(13.1)
Operating profit including share of profit of associates		**121.4**	**113.5**
Financial expenses	17	(79.6)	(60.4)
Financial income	17	2.7	1.0
Profit before income tax		**44.5**	**54.1**
Income tax	12	(23.9)	(23.0)
Profit for the period		**20.6**	**31.1**
Attributable to owners of the parent		**23.5**	**38.1**
Attributable to non-controlling interests		**(2.9)**	**(7.0)**
Basic earnings per share (in €)		0.22	0.35
Diluted earnings per share (in €)		0.21	0.35

b. Consolidated Statement of Comprehensive Income

(in € millions)	Six months ended March 31, 2014 Unaudited	Six months ended March 31, 2013 Unaudited
Profit for the period	**20.6**	**31.1**
Items that will not be reclassified subsequently to profit or loss		
Post-employment benefit obligations	0.2	(1.1)
Items that may be subsequently reclassified to profit or loss		
Financial instruments	1.7	6.2
Currency translation differences	(1.0)	2.2
Income tax	(0.6)	(2.1)
Total other comprehensive income for the period	**0.3**	**5.2**
Total comprehensive income for the period	**20.9**	**36.4**
Attributable to:		
- Owners of the parent	23.8	43.4
- Non-controlling interests	(2.9)	(7.0)

2. Consolidated Balance Sheet

a. Assets

(in € millions)	Note	At March 31, 2014 Unaudited	At Sept. 30, 2013 Unaudited	At March 31, 2013 Unaudited
Goodwill	14	2,357.2	2,411.6	2,244.4
Intangible assets	15	227.4	143.4	111.6
Property, plant and equipment	16	498.4	489.5	495.4
Non-current financial assets		37.8	39.3	23.0
Investments in associates		6.9	6.7	6.9
Fair value of derivative financial instruments (*)		0.4	0.6	0.0
Deferred tax assets		219.1	227.8	202.1
Non-current assets		**3,347.2**	**3,318.9**	**3,083.4**
Inventories		93.8	94.2	88.0
Trade and other receivables		1,005.5	905.2	906.6
Current income tax assets		13.9	19.5	21.5
Other current assets		49.4	46.2	42.5
Short-term financial receivables (*)		5.2	8.5	32.6
Cash and cash equivalents (*)		230.6	210.0	126.8
Current assets		**1,398.5**	**1,283.6**	**1,218.0**
Total assets		**4,745.7**	**4,602.5**	**4,301.4**

(*) Included in the calculation of net debt

b. Equity and Liabilities

(in € millions)	Note	At March 31, 2014 Unaudited	At Sept. 30, 2013 Unaudited	At March 31, 2013 Unaudited
Share capital		1.1	1.1	1.1
Reserves and retained earnings		606.5	582.1	603.7
Non-controlling interests		63.6	67.6	41.3
Total equity		**671.2**	**650.8**	**646.0**
Long-term debt (*)	17	2,366.0	2,240.8	2,119.0
Fair value of derivative financial instruments (*)		24.2	25.7	36.9
Contingent liabilities relating to share acquisitions and dividends payable to non-controlling interests		39.1	40.1	41.2
Deferred tax liabilities		39.5	23.1	12.4
Provisions for pension and other post-employment benefit obligations	18	96.0	97.6	94.5
Other long-term provisions	18	14.2	13.5	16.8
Other non-current liabilities		0.0	0.0	0.2
Non-current liabilities		**2,579.0**	**2,440.9**	**2,321.1**
Trade and other payables		653.0	667.2	560.9
Due to suppliers of non-current assets		24.4	30.2	22.7
Accrued taxes and payroll costs		551.2	525.5	510.7
Current income tax liabilities		20.6	3.1	32.5
Short-term debt (*)	17	115.8	136.1	125.5
Liabilities relating to share acquisitions		18.9	26.4	2.3
Short-term provisions	18	91.4	101.3	61.0
Other current liabilities		20.3	21.1	18.8
Current liabilities		**1,495.5**	**1,510.9**	**1,334.3**
Total liabilities		**4,074.5**	**3,951.7**	**3,655.4**
Total equity and liabilities		**4,745.7**	**4,602.5**	**4,301.4**
(*) Included in the calculation of net debt		2,269.6	2,183.5	2,122.0
Net debt excluding fair value of derivative financial instruments and debt issuance costs		2,273.4	2,181.4	2,085.3

3. Consolidated Cash Flow Statement

(in € millions)	Six months ended March 31, 2014 Unaudited	Six months ended March 31, 2013 Unaudited
Cash flows from operating activities		
Recurring operating profit including share of profit of associates	130.8	126.6
Amortization and depreciation	67.3	65.1
Provisions	2.4	1.4
EBITDA	**200.5**	**193.1**
Dividends received from associates	0.2	0.2
Change in working capital	(91.3)	(165.0)
Interest paid	(74.1)	(56.1)
Tax paid	0.1	(0.3)
Other cash movements	(24.2)	(26.2)
Net cash from/(used in) operating activities	**11.3**	**(54.3)**
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(101.3)	(99.1)
Proceeds from sale of property, plant and equipment and intangible assets	5.7	3.9
Purchases of non-current financial assets	(3.0)	(2.5)
Proceeds from sale of non-current financial assets	0.4	10.2
Acquisition of Elior shares	0.0	0.0
Acquisition/sale of shares in other consolidated companies	(1.8)	(20.5)
Net cash used in investing activities	**(100.0)**	**(108.0)**
Cash flows from financing activities		
Movements in share capital of the parent and in shareholder loans	0.0	0.0
Dividends paid to non-controlling interests in consolidated subsidiaries	(0.4)	(2.4)
Proceeds from borrowings	186.4	142.2
Repayments of borrowings	(35.9)	(9.2)
Net cash from financing activities	**150.0**	**130.5**
Effect of exchange rate and other changes	(2.8)	(1.5)
Net increase/(decrease) in cash and cash equivalents	**58.6**	**(33.3)**
Cash and cash equivalents at beginning of period	**130.1**	**54.8**
Cash and cash equivalents at end of period	**188.7**	**21.5**

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				38.1		38.1	(7.0)	31.1
Post-employment benefit obligations			(1.1)			(1.1)		(1.1)
Changes in fair value of financial instruments			4.1			4.1		4.1
Currency translation differences					2.1	2.1	0.1	2.2
Comprehensive income for the period			**3.0**	**38.1**	**2.1**	**43.3**	**(6.9)**	**36.4**
Appropriation of prior-period profit			(30.1)	30.1				
Dividends paid			(0.8)			(0.8)	(1.8)	(2.5)
Other movements			(0.8)			(0.8)	(0.1)	(0.9)
Balance at March 31, 2013	**108,820,358**	**1.1**	**561.7**	**38.1**	**3.9**	**604.7**	**41.3**	**646.0**

(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	**108,820,358**	**1.1**	**567.2**	**8.7**	**6.3**	**583.2**	**67.6**	**650.8**
Profit for the period				23.5		23.5	(2.9)	20.6
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**	**23.5**	**(0.1)**	**24.7**	**(3.8)**	**20.9**
Appropriation of prior-period profit			8.7	(8.7)		0.0		0.0
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**	**576.8**	**23.5**	**6.2**	**607.6**	**63.6**	**671.2**

Notes to the Condensed Interim Consolidated Financial Statements

1. General Information

Elior SCA (formerly Holding Bercy Investissement) is a French partnership limited by shares (*société en commandite par actions*) registered and domiciled in France. Its headquarters are located at 61-69 rue de Bercy, Paris, France. At March 31, 2014, Elior SCA (hereinafter also referred to as "Elior") was 70.24%-controlled by investment funds managed by Charterhouse and Chequers, 24.75%-controlled by Bagatelle Investissement et Management – "BIM" (which is wholly owned by Robert Zolade), and 5.01%-controlled by (i) the SOFIA investment fund, (ii) companies of the Intermediate Capital Group (ICG), and (iii) co-investors including a number of Group managers, through specific companies set up for this purpose.

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 six-month periods ended March 31, 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 Managing Partner on May 26, 2014.

3. Significant Events

a- Acquisition & 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.
The Group did not acquire and consolidate or sell and deconsolidate any companies during the six months ended March 31, 2013. However, in January 2013, it acquired an additional 9.25% of Serunión's share capital for €19 million, following the exercise of a put option by Serunión's non-controlling shareholders. Since then, Serunión has been wholly owned by the Group.

b- Renegotiation of the bank syndicated loans (4th Amendment)

The Group's banks agreed to reduce the lending margins on its syndicated bank loans, 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 of a debt renegotiation occurred with no substantial change to the terms of the financial contract.

c- Elior IPO project and put option upon 38,45% share capital of Areas held by Emesa

On March 5, 2014, Elior announced its intention to carry out an IPO, with the aim of floating its shares on Euronext Paris by the summer of 2014. The Company's Registration Document (Document de Base) was filed with the French securities regulator (the AMF) on April 15, 2014 under number I.14-015.

When listed, and in accordance with IAS 32, the Company considers that it will not have control over the exercise conditions of the Put Option held by Emesa and, in consequence, that the corresponding liability will be accounted for in the next quarterly account after listing, i.e. financial statements for the nine month period ended June 30, 2014.

In this context Elior has performed a valuation analysis of Áreas and its subsidiaries in order to estimate the liability to be accounted for in its consolidated balance sheet and linked to the 38.45% of Áreas share capital Put Option held by Emesa.

Based on a multi-criteria valuation analysis performed as of today and taking into account discounted cash flow, trading peers multiples and precedent transaction multiples methodologies, the value of the liability corresponding to the Put Option, which will be recognized in the first quarterly consolidated financial statements prepared following completion of the IPO, would amount to 130 million euros.

4. Accounting Policies

The accounting policies adopted are consistent with those used for the previous financial year 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.

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 or loss.

The CVAE tax – which is included in income tax – and employee profit-sharing are 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 the condensed interim consolidated financial statements. The related expense for the six-month periods ended March 31, 2013 and 2014 represents half of the expense calculated for the full years ended September 30, 2014 and 2013, 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 IFRS 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 decides to early adopt 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.

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".
- The revised version of IAS 27, "Separate Financial Statements".
- The 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".
- IFRIC 21, "Levies".

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 six-month periods ended March 31, 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 March 31, 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 six-month periods ended March 31, 2014 and 2013 are based on Paris stock exchange rates and were as follows:

March 31, 2014	Period-end rate	Average rate
- €/US $:	1.3771	1.3659
- €/£:	0.8268	0.8346

March 31, 2013	Period-end rate	Average rate
- €/US $:	1.2821	1.3040
- €/£:	0.8432	0.8230

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 a more than proportional decrease in the amount of recurring operating profit and recurring operating profit 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 did not have any impact on reported interim revenue due to offsetting effects between the Group's two business segments. 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 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 consolidation scope, 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 March 31, 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 six-month periods ended March 31, 2014 and 2013.

- Detailed income statement information by operating segment

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	Europe excluding Áreas	Áreas	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)	88.5	54.9	**143.4**	(2.2)	(5.4)	**(7.7)**	(4.9)	**130.8**
Recurring operating profit/(loss) as a % of revenue	*8.0%*	*6.3%*	***7.2%***	(0.5)%	(2.0)%	**(1.1)%**	**(0.2)%**	***4.9%***
Other income and expenses, net	(0.2)	(2.7)	**(3.0)**	(0.8)	(2.5)	**(3.3)**	(3.2)	**(9.4)**
Operating profit/(loss)	88.3	52.2	**140.5**	(3.0)	(7.9)	**(10.9)**	(8.1)	**121.4**
Net financial expense								**(76.9)**
Income tax								**(23.9)**
Profit for the period attributable to non-controlling interests								**(2.9)**
Profit for the period attributable to owners of the parent								**23.5**
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	(1.7)	(0.9)	**(2.6)**	0.5	(0.3)	**0.2**	0.0	**(2.4)**
EBITDA	106.9	69.5	**176.3**	17.1	11.3	**28.4**	(4.2)	**200.5**

Six months ended March 31, 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	**1,092.2**	**679.8**	**1,772.0**	**412.2**	**261.1**	**673.3**	**0.0**	**2,445.4**
Recurring operating profit/(loss)	97.2	40.6	**137.8**	4.1	(11.5)	**(7.4)**	(3.8)	**126.6**
Recurring operating profit/(loss) as a % of revenue	*8.9%*	*6.0%*	*7.8%*	*1.0%*	(4.4)%	(1.1)%	(0.2)%	*5.2%*
Other income and expenses, net	(1.5)	(1.6)	**(3.1)**	(0.1)	0.0	**(0.1)**	(9.9)	**(13.1)**
Operating profit/(loss)	95.8	38.9	**134.7**	4.0	(11.5)	**(7.5)**	(13.7)	**113.5**
Net financial expense								**(59.4)**
Income tax								**(23.0)**
Profit attributable to non-controlling interests								**(7.0)**
Profit attributable to owners of the parent								**38.1**
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(16.0)	(12.4)	**(28.4)**	(19.6)	(16.2)	**(35.8)**	(0.9)	**(65.1)**
Other expenses with no cash impact	(0.4)	(1.2)	**(1.6)**	0.8	(0.1)	**0.7**	(0.5)	**(1.4)**
EBITDA	113.7	54.1	**167.8**	22.9	4.8	**27.7**	(2.4)	**193.1**

– Revenue by operating segment and client sector

(in € millions)	Six months ended March 31, 2014 Unaudited	% of total revenue	Six months ended March 31, 2013 Unaudited	% of total revenue	Year-on-year change	% change
Contract Catering & Support Services						
Business & Industry	876.5	32.8%	829.7	33.9%	46.7	+5.6%
Education	613.0	22.9%	541.0	22.1%	72.0	+13.3%
Healthcare	500.9	18.7%	401.3	16.4%	99.6	+24.8%
Sub-total: Contract Catering & Support Services	**1,990.3**	**74.5%**	**1,772.0**	**72.5%**	**218.3**	**+12.3%**
Concession Catering & Travel Retail						
Airports	268.4	10.0%	252.6	10.3%	15.9	+6.3%
Motorways	232.0	8.7%	225.7	9.2%	6.3	+2.8%
City Sites & Leisure	181.1	6.8%	195.1	8.0%	(14.0)	-7.2%
Sub-total: Concession Catering & Travel Retail	**681.5**	**25.5%**	**673.3**	**27.5%**	**8.2**	**+1.2%**
Total	**2,671.9**	**100.0%**	**2,445.4**	**100.0%**	**226.5**	**+9.3%**

– Revenue by geographical area

(in € millions)	Six months ended March 31, 2014 Unaudited	% of total revenue	Six months ended March 31, 2013 Unaudited	% of total revenue	Year-on-year change	% change
France	1,426.0	53.4%	1,418.1	58.0%	7.9	+0.6%
Europe excluding France	955.7	35.8%	909.8	37.2%	45.9	+5.0%
Other countries	290.2	10.9%	117.4	4.8%	172.8	+147.1%
Total	**2,671.9**	**100.0%**	**2,445.4**	**100.0%**	**226.5**	**+9.3%**

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

b. Segment non-current assets

(in € millions)	**Contract Catering & Support Services**			**Concession Catering & Travel Retail**			Headquarters, holding companies and purchasing entities	**Group total**
Six months ended March 31, 2014 Unaudited	France	International	**Total**	Europe excluding Áreas	Áreas	**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**

(in € millions) Six months ended March 31, 2013 Unaudited	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	1,092.2	679.8	**1,772.0**	412.2	261.1	**673.3**	0.0	**2,445.4**
Non-current assets	1,181.6	542.2	**1,723.8**	695.4	412.7	**1,108.1**	19.5	**2,851.4**

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 March 31, 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 six months ended March 31, 2014, THS contributed €165.3 million to consolidated revenue and €14.1 million to consolidated EBITDA, compared with respective amounts of €180.0 million and €14.9 million (both on a pro forma basis) for the corresponding prior-year period.

11. Other Income and Expenses, Net

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

For the six months ended March 31, 2013, "Other income and expenses, net" represented a net expense of €13.1 million and primarily included (i) €5.1 million in advisory and due diligence fees, and (ii) a €5.2 million expense related to the accelerated amortization of borrowings as a result of the Amend & Extend process. This item also included €1.6 million in operational reorganization costs for the Group's Contract Catering business in Spain, as well as €1.4 million in compensation paid to employees in the Support Services business in France as ordered by an employment tribunal.

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 29.6%. The tax rate used for the six months ended March 31, 2013 was 21%.

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, 2014 amounted to €14.6 million (unchanged from the corresponding prior-year period).

13. Dividends

No dividend for the year ended September 30, 2013 was paid by Elior during the six months ended March 31, 2014.

A total dividend payout of €1.8 million was made during the six months ended March 31, 2013, mainly to non-controlling shareholders of Áreas.

14. Goodwill

(in € millions)	At March 31, 2014	At Sept. 30, 2013	At March 31, 2013	At Sept. 30, 2012
Contract Catering & Support Services	1,670.3	1,724.8	1,533.4	1,531.7
Concession Catering & Travel Retail	686.9	686.8	711.0	699.2
Goodwill	**2,357.2**	**2,411.6**	**2,244.4**	**2,230.9**

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

The decrease in the gross value of goodwill at March 31, 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 carried out 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.

15. Intangible Assets

(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	28.6	8.7	0.0	(17.9)	19.3
Other	17.4	0.1	(0.1)	82.7	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).

(in € millions)	At Sept. 30, 2012	Additions	Disposals	Other movements	At March 31, 2013
Concession rights	97.7	0.7	(0.1)	8.7	107.0
Assets operated under concession arrangements (1)	36.3	0.0	0.0	0.0	36.3
Trademarks	27.6	10.7	0.0	0.1	38.4
Software	83.4	2.6	(0.1)	1.1	87.1
Prepayments for intangible assets	1.5	0.8	(0.0)	(14.4)	(12.0)
Other	19.8	0.0	(0.0)	(0.0)	19.8
Gross value	**266.4**	**14.9**	**(0.2)**	**(4.5)**	**276.5**
Concession rights	(38.5)	(1.7)	0.0	0.2	(40.0)
Assets operated under concession arrangements (1)	(35.2)	(0.5)	0.0	0.0	(35.7)
Trademarks	(7.9)	(0.4)	0.0	(0.1)	(8.4)
Software	(61.5)	(4.0)	0.1	0.1	(65.3)
Other	(15.2)	(0.4)	0.0	0.0	(15.6)
Total amortization	**(158.3)**	**(7.0)**	**0.1**	**0.2**	**(164.9)**
Carrying amount	**108.1**	**7.9**	**(0.1)**	**(4.3)**	**111.6**

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

16. Property, Plant and Equipment

(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**

(in € millions)	At Sept. 30, 2012	Additions	Disposals	Other movements	At March 31, 2013
Land	1.9	0.6	0.0	(0.0)	2.5
Buildings	139.5	5.0	(4.0)	3.2	143.7
Technical installations	749.8	33.0	(10.0)	5.1	777.9
Other items of property, plant and equipment	428.7	13.1	(12.5)	9.0	438.3
Assets under construction	24.6	26.1	(1.5)	(11.8)	37.4
Prepayments to suppliers of property, plant and equipment	2.4	(0.2)	0.0	(1.2)	1.0
Gross value	**1,346.8**	**77.5**	**(28.1)**	**4.5**	**1,400.7**
Buildings	(77.8)	(4.7)	3.9	0.0	(78.6)
Technical installations	(503.2)	(34.5)	9.7	(12.1)	(540.1)
Other items of property, plant and equipment	(277.5)	(21.5)	12.8	(0.3)	(286.6)
Total depreciation	**(858.5)**	**(60.7)**	**26.3**	**(12.5)**	**(905.3)**
Carrying amount	**488.3**	**16.8**	**(1.7)**	**(8.0)**	**495.4**

17. Borrowings, Loans and Net Financial Expense

The Group's debt can be analyzed as follows:

(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 finance lease obligations)	€ / $	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 finance lease obligations)	€	61.2	49.6
Sub-total – long-term debt		**2,366.0**	**2,240.8**
Total debt		**2,481.7**	**2,376.9**

(in € millions)	Original currency	At March 31, 2013 Amortized cost (1)	At Sept. 30, 2012 Amortized cost (1)
Bank overdrafts	€ / $	94.5	46.8
Other short-term debt (including short-term portion of finance lease obligations)	€	31.0	30.1
Sub-total – short-term debt		**125.5**	**76.9**
Syndicated loans	€	1,864.4	1,808.8
Other medium- and long-term borrowings	€		
Factoring and securitized trade receivables	€	178.8	134.0
Other long-term debt (including finance lease obligations)	€ / $	75.8	34.9
Sub-total – long-term debt		**2,119.0**	**1,977.7**
Total debt		**2,244.6**	**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 €27.5 million at March 31, 2014 and €0.2 million at March 31, 2013.

The Group's net financial expense came to €76.9 million for the six months ended March 31, 2014, versus €59.4 million for the six months ended March 31, 2013, breaking down as follows:

(in € millions)	Six months ended March 31, 2014	Six months ended March 31, 2013
Interest expense on debt	(75.2)	(57.9)
Interest income on short-term financial investments	1.1	1.6
Other financial income and expenses (1)	(1.6)	(1.6)
Interest expense on post-employment benefit obligations (2)	(1.2)	(1.6)
Net financial expense	**(76.9)**	**(59.4)**
(1) Including:		
- Fair value adjustments on interest rate hedging instruments	*(1.0)*	*(0.4)*
- Disposal gains/(losses) and movements in provisions for impairment of shares in non-consolidated companies	*0.8*	*(0.9)*
- Amortization of debt issuance costs	*(2.2)*	*(0.5)*
- Net foreign exchange gain	*0.8*	*0.2*

(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 level of debt as a result of the acquisition of the US contract caterer THS as well as higher interest rate margins, particularly in connection with the Amend & Extend process and the Elior Finance & Co Notes issue that took place in April 2013.

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

(in € millions)	At March 31, 2014 Current	At March 31, 2014 Non-current	At Sept. 30, 2013 Current	At Sept. 30, 2013 Non-current
Bank borrowings				
Medium-term borrowings – Elior (formerly HBI)		405.1		405.1
Medium-term borrowings – Elior Participations 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.

(in € millions)	At March 31, 2013 Current	Non-current	At Sept. 30, 2012 Current	Non-current
Bank borrowings				
Medium-term borrowings – Elior (formerly HBI)		642.4		642.4
Medium-term borrowings - Elior Participations		1,222.2		1,172.2
Other medium- and long-term bank borrowings		62.6		21.0
Sub-total – bank borrowings	**0.0**	**1,927.2**	**0.0**	**1,835.6**
Other debt				
Finance leases	5.0	12.2	5.0	12.9
Other (1)	15.3	179.8	17.3	135.0
Bank overdrafts (2)	94.5		46.8	
Current accounts (2)	1.2		1.8	
Accrued interest on borrowings (2)	9.5		6.0	
Sub-total – other debt	**125.5**	**192.0**	**76.9**	**147.9**
Total debt	**125.5**	**2,119.2**	**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 and Elior Participations 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 March 31, 2014 or 2013.

18. Short- and Long-Term Provisions

(in € millions)	At March 31, 2014	At Sept 30, 2013
Commercial risks	8.6	8.6
Employee-related disputes	16.1	16.8
Reorganization costs	13.7	21.1
Tax risks	31.4	24.3
Employee benefits	8.9	8.7
Other	17.3	21.8
Short-term provisions	**95.9**	**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	**206.2**	**212.4**

(in € millions)	At March 31, 2013	At Sept. 30, 2012
Commercial risks	8.6	8.6
Employee-related disputes	13.6	14.5
Reorganization costs	10.1	15.8
Tax risks	2.3	2.3
Employee benefits	9.5	9.2
Other	16.9	24.3
Short-term provisions	**61.0**	**74.7**
Employee benefits	96.1	95.4
Non-renewal of concession contracts	8.6	7.8
Other	6.5	8.0
Long-term provisions	**111.3**	**111.2**
Total	**172.3**	**185.9**

19. Related Party Transactions

During the six months ended March 31, 2014 Elior paid a total of €615,000 under service and consulting agreements entered into with SOFIBIM and ORI Investissements (€837,000 during the six months ended March 31, 2013). This amount includes salaries, social security contributions and other costs incurred by SOFIBIM and ORI Investissements for the performance of their services.

Bercy Présidence is the Managing Partner of Elior (a partnership limited by shares). At March 31, 2014 Bercy Présidence was chaired by Gilles Petit and controlled by the investment funds Charterhouse and Chequers.

In accordance with a decision taken by the Company's shareholders on November 19, 2009, Bercy Présidence received €275,000 in the six months ended March 31, 2014, corresponding to remuneration payable in its capacity as Managing Partner of Elior for the period from October 1, 2013 to March 31, 2014 unchanged from the amount paid for the period from October 1, 2012 to March 31, 2013).

No other expenses were recorded during the period in relation to Elior's executive officers and no other financial rights are held by them.

20. Events after the Balance Sheet Date

- On April 17, 2014, the Company's General Partner and its shareholders decided to change the Company's name from Holding Bercy Investissement to Elior.
- Also on April 17, 2014, the General Partner and shareholders of Elior SCA decided to change that company's name to Elior Participations.