## Elior’s brands

### Contract Catering & Facilities Management

<table>
<thead>
<tr>
<th>Brand</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avenance</td>
<td>France, United Kingdom, Netherlands, Italy</td>
</tr>
<tr>
<td>arpège</td>
<td>France</td>
</tr>
<tr>
<td>Serunion</td>
<td>Spain</td>
</tr>
</tbody>
</table>

### Concession Catering & Travel Retail

<table>
<thead>
<tr>
<th>Brand</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eliance</td>
<td>France, United Kingdom</td>
</tr>
<tr>
<td>Areas</td>
<td>Spain, Portugal, Morocco, Latin America</td>
</tr>
<tr>
<td>daghyl</td>
<td>United Kingdom</td>
</tr>
</tbody>
</table>

### Gourmet Restaurant

<table>
<thead>
<tr>
<th>Brand</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Le Ciel de Paris</td>
<td>The restaurant at the top of the Montparnasse Tower in Paris</td>
</tr>
</tbody>
</table>

### Elior’s Own Brands

<table>
<thead>
<tr>
<th>Brand</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>l’arche</td>
<td>Motorway restaurants – France, Luxembourg</td>
</tr>
<tr>
<td>archipel</td>
<td>Food Court – Business &amp; Industry – France</td>
</tr>
<tr>
<td>ARS</td>
<td>Restaurants, coffee shops and retail outlets – Motorways and Airports – Spain</td>
</tr>
<tr>
<td>Medas</td>
<td>Restaurants, coffee shops and retail outlets – Motorways and Airports – Spain</td>
</tr>
</tbody>
</table>

### Retail outlets

<table>
<thead>
<tr>
<th>Brand</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>divers</td>
<td>Catering – Education – France</td>
</tr>
<tr>
<td>duty &amp; free</td>
<td>Catering – Education – France</td>
</tr>
<tr>
<td>NEWS &amp; BOOKS</td>
<td>Catering – Education – France, Italy</td>
</tr>
<tr>
<td>Oui Shop</td>
<td>Catering and retail outlets – Business &amp; Industry – United Kingdom</td>
</tr>
</tbody>
</table>

### Franchised brands

<table>
<thead>
<tr>
<th>Brand</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ben &amp; Jerry’s</td>
<td></td>
</tr>
<tr>
<td>Bert’s café contemporain</td>
<td></td>
</tr>
<tr>
<td>Courtepaille</td>
<td></td>
</tr>
<tr>
<td>santiago</td>
<td></td>
</tr>
<tr>
<td>Flo</td>
<td></td>
</tr>
</tbody>
</table>
### Le Grand Louvre
The restaurant of the world’s largest museum

### La Maison de l’Amérique Latine
A Parisian venue for functions and gourmet dining

### LES OMBRES RESTAURANT
The restaurant at the Quai Branly museum in Paris

### Restaurant du Musée d’Orsay
The restaurant in one of Paris’ most outstanding museums

### Café Compagnie
Coffee shops and retail outlets – Healthcare & Seniors – France

### Gourmet Point
Self-service restaurants – Business & Industry – Italy

### HARVEST
Catering and services – Business & Industry – Spain

### L’Open Café
Fast-food restaurants – Education – France

### La Pausa
Fast-food restaurants – Motorways – Spain

### Philégas
Sandwich and coffee shops – All sectors – France, Netherlands

### PIATTO DELGUSTO
Catering stands offering pasta dishes – Business & Industry and Motorways – France

### Récréazens
Services for families – Motorways and Railway Stations – Healthcare & Seniors – France

### TREKIN
Catering – Education – Netherlands

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Where there’s a taste for life

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Number 3 in the European contracted foodservice market

Elior ranks third in the European contracted foodservice and related services market, holding leading positions in the businesses of Contract Catering & Facilities Management, and Concession Catering & Travel Retail. Each day, Elior’s 60,000 employees serve 2.6 million guests at some 13,000 restaurants and outlets in 14 countries.

Attuned to individual needs, the Group constantly communicates with its clients in a bid to create customer intimacy in each of its markets, whilst focusing on innovation, creativity, social responsibility and safety. Elior strives to provide effective catering and service solutions that both respect and reflect the various cultures, environments and people that form the backdrop to its operations, in line with the Group’s slogan “Where there’s a taste for life”.

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“Elior is entering a new development phase”

Chairman’s statement

Elior sustained its growth momentum in 2005-2006, with consolidated sales topping the €3 billion mark at €3,001.7 million, up 6.3% like-for-like on 2004-2005. Recurring operating profit came in at €172.6 million.

The Group is now entering a new phase in its development. However, the goals I set in 2005 as part of our “Elior Horizon 2010” strategic plan are unchanged – namely to speed up international expansion and to double in size within a five-year timeframe.

With a view to meeting these challenges, during the year I decided to open up the capital of Holding Bercy Investissement (HBI) to two major investors – Charterhouse and Chequers – who share our corporate vision and have the financial resources to help us expand over the long term. Following this, HBI launched a public tender offer for Elior that was successful. In conjunction with our new investor partners we aim to further enhance our performance and sharpen our competitive edge within an operating environment that has become increasingly complex and where the competition has grown ever-more intense. We learnt a lot in our six years as a listed company and our decision to delist was taken only after careful consideration. The operation was conducted under extremely stringent conditions and we made sure that shareholders’ interests were fully respected.

In order to meet our clients’ requirements even more effectively, we acquired two Facilities Management specialists in France during the year – First Maintenance Company (FMC) and GDS. As a result of these acquisitions, we now have a comprehensive, integrated service offering in the Healthcare & Seniors sector, and a wide range of catering-related services in Business & Industry. At the same time, we have rounded out our presence in the Business & Industry sector in Italy by acquiring the Milan-based company Eurofood.

We won a large number of new contracts during the year, helping us to bolster our positions in the countries where we operate. To name but a few examples, in France we entered into agreements with the Foch hospital in Suresnes, the Cercle National des Armées officers’ club in Paris, and Strasbourg and Toulouse airports. We signed contracts in the United Kingdom with the Ministry of Defence and Tesco, in Spain with the Guardia Civil Academy and the Ministry of Culture, and in Italy for several Guardia di Finanza sites.

Elior has enjoyed sustained business growth since its formation in 1991. With an operating presence that spans 14 countries, the Group now has over 60,000 employees who are key to its expansion. Their professionalism and motivation are illustrated by the high quality of their relations with all of our clients, whether contract partners, guests in our restaurants
or customers at our retail outlets. Developing our employees’ skill-sets remains one of our major priorities. By signing the French Charter for Equal Educational Opportunities in late 2006 we have once again demonstrated our commitment to helping young people enter the job market. This has in any case been one of Elior’s long-standing strategies, implemented over the last ten years by the Elior Foundation, Agir pour l’éducation.

In the space of fifteen years, Elior has become a major player in the contracted foodservice and related services industry, both in France and internationally. The Group has a large number of strengths and its outlook for the future is founded on a long-term vision as well as on strong brands and experienced, creative and motivated people. For these reasons we are entering this new development phase with confidence and determination, certain that our resolve to move forward and our positive approach are shared by all of our stakeholders: our clients, employees, partners and shareholders.

Finally, at the dawn of this new era I would like to pay my respects to Francis Markus, my friend, partner and co-founder of the Elior Group.

Robert Zolade
Business overview

Contract Catering & Facilities Management

Business & Industry
Offering: Catering and related service formats (company restaurants, executive dining rooms, event catering, vending machines, retail outlets, meal-tray delivery, conference room management, receptionist and mail services, switchboard facilities and light maintenance).
Clients: Private firms operating in the manufacturing and services industries, multi-tenant office buildings, business centres, government agencies, international bodies and national defence forces.
Guests: Public and private-sector employees.
Geographical footprint: France, Ireland, Italy, Netherlands, Portugal, Spain, United Kingdom.

Education
Offering: Catering services in primary and secondary schools and higher education institutions.
Clients: State-run and private educational institutions, day care centres, vacation facilities, local authorities and regional government agencies, universities, nurseries, playschools and boarding schools.
Guests: Pupils, students, teaching and non-teaching staff.
Geographical footprint: France, Italy, Netherlands, Portugal, Spain, United Kingdom.

Healthcare & Seniors
Offering: Catering and related services (specialised cleaning services, hotel services, cafeteria management, vending machines, retail outlets, television rental, reception and switchboard facilities, home meal deliveries and light maintenance).
Clients: Hospitals, clinics, healthcare institutions, nursing homes and retirement homes.
Guests: Residents, patients and employees.
Geographical footprint: France, Italy, Netherlands, Portugal, Spain, United Kingdom.

€1,039.1 million
IN SALES
34.6%
OF CONSOLIDATED SALES

€388.8 million
IN SALES
13.0%
OF CONSOLIDATED SALES

€537.4 million
IN SALES
17.9%
OF CONSOLIDATED SALES
Concession Catering & Travel Retail

Motorways
**Offering:** Restaurants, cafeterias, bars, fast-food outlets, retail outlets and services (baby changing facilities, games and play areas, rest areas, Wifi access), vending machines.
**Clients:** Motorway concession operators, oil companies.
**Guests:** General public.
**Geographical footprint:** Chile, France, Italy, Luxembourg, Mexico, Portugal, Spain.

Airports
**Offering:** Restaurants, bars, retail outlets, VIP lounges, event catering, business centres, vending machines.
**Clients:** Airport management companies (including ADP, AENA, CCI and BAA), regulatory agencies.
**Guests:** General public.
**Geographical footprint:** Argentina, Chile, France, Italy, Mexico, Morocco, Portugal, Spain, United Kingdom, United States (Miami), West Indies.

City Sites
**Offering:** Restaurants, retail outlets, vending machines, event catering services.
**Clients:** Museums, railway stations, exhibition centres, department stores, tourist attractions, sporting venues, shopping centre management companies, hotels and resorts.
**Guests:** General public.
**Geographical footprint:** Argentina, France, Italy, Mexico, Spain, United Kingdom, West Indies.

€332.0 million
IN SALES
11.0%
OF CONSOLIDATED SALES

€343.9 million
IN SALES
11.5%
OF CONSOLIDATED SALES

€360.5 million
IN SALES
12.0%
OF CONSOLIDATED SALES
Sustained growth
At €3,002 million, sales rose 6.3% on a like-for-like basis in 2005-2006. Growth was sustained in Contract Catering & Facilities Management, coming in at 5.6% and was particularly buoyed by the Education, Healthcare & Seniors and Defence sectors. Concession Catering & Travel Retail delivered an even stronger performance, reporting a 7.6% rise in sales.
An international presence

Sales by region
(% of consolidated sales)

41.3%
INTERNATIONAL
58.7%
FRANCE

Europe
• FRANCE
• IRELAND
• ITALY
• LUXEMBOURG
• NETHERLANDS
• PORTUGAL
• SPAIN
• UNITED KINGDOM

Africa
• MOROCCO

North America
• UNITED STATES (Miami)

Central and Latin America
• ARGENTINA
• CHILE
• MEXICO
• WEST INDIES (Saint-Marteen and Dominican Republic)
2005/2006: A year of new developments

Elior’s growth strategy hinges on expanding its existing operations and winning new business in all of its markets, both in France and internationally. During 2005-2006 the Group acquired a number of new companies, enabling it in particular to broaden its service offering in Business & Industry, and Healthcare & Seniors. The year was also marked by the successful outcome of the public tender offer launched by Holding Bercy Investissement (HBI) for Elior and by the opening up of HBI’s capital to investor partners of BIM – a company owned by Robert Zolade, one of the Elior Group’s co-founders. At 31 December 2006, HBI held all of Elior’s share capital and voting rights.

June 2006

The Les Ombres restaurant opens its doors at the Quai Branly museum in Paris

This prestigious catering contract won by the Group for the Quai Branly museum’s gourmet restaurant illustrates Elior’s ability to meet tailored needs and assimilate the character of the cultural venues in which it operates. The restaurant is located in a unique setting on the museum’s roof terrace and its decor, furniture and crockery were designed by the architect Jean Nouvel.

June 2006

The Elior Foundation celebrates its tenth anniversary

During the year Elior celebrated the tenth anniversary of its foundation Agir pour l’éducation, whose aim is to help young students with at least one parent working in the catering industry to follow higher education programmes.
February 2006
Áreas in the new terminal at Madrid-Barajas airport

This new terminal houses 27 retail outlets grouping some fifteen catering formats, including Ars, Medas, La Pausa, and Illy, as well as five retail outlets operating under the Sibarium Delicatessen, Travel Mate and The Airport Market brands.

November 2005
Avenance wins two major catering and facilities management contracts awarded by the UK Ministry of Defence

These contracts cover a 7-year period and relate to eight military bases in Kent and the East Midlands. They include catering, hotel and leisure services, as well as retail outlets and the maintenance and management of uniforms allocated to 7,000 people.

December 2005
Elior signs the French Corporate Diversity Charter

By signing the French Corporate Diversity Charter, the Group has demonstrated its commitment to cultural, ethnic and social diversity in all the countries in which it operates.

April 2006
Elior wins a large multi-service contract for the Foch hospital in Suresnes, France

Under this contract the Group provides catering services for patients, as well as specialised cleaning and hotel services. It has also been entrusted with managing the retail outlets and vending machines available within the hospital.

May 2006
Holding Bercy Investissement launches a public tender offer for Elior

Robert Zolade opened up HBI’s capital to two partners – Charterhouse (a UK investment fund) and Chequers, a France-based investor – prior to launching a public tender offer for Elior’s shares.

July 2006
Close of the public tender offer launched by HBI for Elior

At the end of the offer period HBI held 94.19% of Elior’s share capital and voting rights.

October 2006
Elior wins the bid for the Cercle National des Armées (CNA)

Under this contract the Group will provide all of the catering, accommodation and other services available at the prestigious Cercle Militaire army officers’ club located on the Place Saint-Augustin in Paris. The contract comes into effect in January 2007 for a period of five years.

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September 2006
Avenance launches Cantines.com

This new communication tool – which has already been rolled out to 14 French municipalities – provides practical and teaching-related information and enables families to pay for services online.

December 2006
Elior signs the Charter for Equal Educational Opportunities

The Group’s regular initiatives to help disadvantaged young people enter the job market fall within the scope of this Charter.

HBI acquires all of Elior’s share capital and voting rights

Elior – which was originally floated on the Paris stock exchange in March 2000 – was delisted following HBI’s successful takeover bid.
Elior’s Management

FROM LEFT TO RIGHT: ROBERT ZOLADE, CATHERINE CHOQUARD, JACQUES ROUX, JACQUES SUART, PHILIPPE CHEVALLIER.
**Contract Catering & Facilities Management**

- Managing Director, Education and Healthcare & Seniors – France, and International Contract Catering: Dominique Pélalon (1)
- Education - France: Alain Hiff (2)
- Healthcare & Seniors and Facilities Management - France: Gilles Rafin (3)
- Spain and Portugal: Antonio Llorens (4)
- Italy: Lino Volpe (5)
- Netherlands: Paul Wortelboer (6)
- United Kingdom: Mike Audis (7)

*Also heads the Concession Catering business in the United Kingdom.*

**Purchasing and Logistics**

- Guy Soler (13)

**Concession Catering & Travel Retail**

- Managing Director, Concession Catering: Jacques Roux (9)
- Motorways – France: Bertrand Lozé (10)
- City Sites and Airports – France: Jean-François Camarty (11)
- Managing Director, Areas (Spain, Portugal, and Latin America): José Gabriel Martin (12)

**Elior**

Chairman: Robert Zolade*
Chief Operating Officer: Jacques Roux*
Chief Financial Officer: Philippe Chevallier*
Human Resources Director: Catherine Chouard*
Chief Communication Officer: Jacques Suart

*Members of the Group Executive Committee.
Expertise

Partnership

Customisation
Our business lines

Elior puts its expertise to work in two lines of business – Contract Catering & Facilities Management, and Concession Catering & Travel Retail. The Group constantly hones its offering to ensure that it provides its guests with nutritionally balanced food as well as an enjoyable and innovative eating experience. At the same time it meets the needs of its clients by offering a broad range of services.
Our business lines

Contract Catering and Facilities Management

Elior manages over 10,500 restaurants and retail outlets in the Business & Industry, Education, and Healthcare & Seniors sectors. In 2005-2006, the Group’s Contract Catering & Facilities Management business generated €1,965 million in sales – accounting for 65.5% of consolidated sales – and employed some 44,000 people. In addition to providing Contract Catering facilities, Elior meets the specific needs of its clients by offering a wide range of services – mainly facilities management and vending.

<table>
<thead>
<tr>
<th>Year ended 30 September</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-04 (1)</td>
<td>1,655</td>
</tr>
<tr>
<td>2004-05 (2)</td>
<td>1,869</td>
</tr>
<tr>
<td>2005-06 (2)</td>
<td>1,965</td>
</tr>
</tbody>
</table>

SALES

Years ended 30 September (€ million)

1: French GAAP.
2: IFRS.
Business & Industry
Percentage of consolidated sales
34.6%

Sales
€1,039 million
Geographical footprint
France, Ireland, Italy, Netherlands, Portugal, Spain, United Kingdom

Education
Percentage of consolidated sales
17.9%

Sales
€537 million
Geographical footprint
France, Italy, Netherlands, Portugal, Spain, United Kingdom

Healthcare & Seniors
Percentage of consolidated sales
13.0%

Sales
€389 million
Geographical footprint
France, Italy, Netherlands, Portugal, Spain, United Kingdom
Elior offers a wide range of catering formats and services in the Business & Industry sector, bringing all its strengths to the fore. It partners its clients every step of the way, drawing on widely recognised expertise, bespoke solutions tailored to the specific requirements of each industry and formats that meet consumer expectations.

A focus on nutritional balance
One of Elior’s overriding aims is to help people fulfil their growing aspiration to achieve well-being and nutritional balance. In France, Avenance has rolled out the Équilibre healthy eating concept, based on the recommendations issued by the French National Health and Nutrition Programme (PNNS). More than one hundred restaurants have implemented this concept, which helps guests to compile healthy menus. The Cocoon format – designed in the same vein – is also available in many of the Group’s restaurants and provides a varied range of calorie-controlled dishes. Providing nutritional information is another of Elior’s core commitments, as illustrated through the Balance programme offered in over 230 restaurants in the United Kingdom and the “Life-line” concept in the Netherlands.

An extensive service offering
Elior’s business is growing rapidly in catering-related services, such as receptionist and mail services, switchboard facilities, conference room management, retail outlets and light maintenance. In France the Group won contracts for major sites during the year, including the Exaltis office building at the La Défense business hub, management of conference rooms at the Paris Trocadéro business centre and of function suites at the headquarters of the French National Public Works Federation. In addition, Avenance signed contracts for managing vending facilities for Boehringer, Faurecia and PSA whilst in Spain, Serunión – a
nationwide vending operator—increased its total number of vending machines to almost 2,800.

**Gaining ground in all of the Group’s market segments**

In France, Avenance notched up numerous commercial wins in the office building sector, including the high-scale Opus 12 complex at La Défense and the Victoire building in Paris. Key contracts were entered into with major firms and institutions, such as Airbus, the French nuclear energy research centre, Louis Vuitton Malletier, Crédit Agricole, Banque Lazard, the OECD and the French Post Office. At the same time, Avenance enlarged its footprint in the French national defence sector, winning contracts for the test centre in the Landes region and the naval manufacturer, DCN, in Toulon.

In the United Kingdom, Avenance bolstered its business with the Armed Forces sector, signing multi-service contracts for eight Ministry of Defence bases. The Group also continued to roll out catering services to the employees and customers of Tesco supermarkets—the UK’s leading retailer—for which it manages 101 catering outlets.

In Spain, Serunión entered into key contracts with several sites at the Guardia Civil Academy in Andalucia, the Ministry of Culture in Madrid and the Barcelona stock exchange.

In Italy, 2005–2006 saw the acquisition of the Milan-based contract caterer Eurofood, as well as successful bids for providing catering facilities for several Guardia di Finanza sites in Rome and for the power company Enel.

In the Netherlands, Avenance won a contract with the Utrecht-based company Interpay and opened Ginger’s—an innovatively designed restaurant in the World Trade Center at Schipol airport.

### Key Financial Figures

€1,039 million

34.6% of consolidated sales

3,315 restaurants and retail outlets
Elior meets the needs of children, teenagers, young adults and teaching staff in private and public primary and secondary schools and higher education institutions. The company takes great care to offer solutions and services appropriate to the educational environment and which reflect the Group’s unswerving commitment to nutritional balance and food quality and safety.

**A educational offering**
Avenance has developed an offering in France that is tailored to each age group and aims at educating tastes and encouraging good dietary practices. The *Restaurant des Tout-Petits* formula — which was introduced at 22 new sites during the year — is designed to help nursery school children learn how to interact with society. The *Self qui fait grandir* format (which was rolled out to 39 new sites) is geared towards instilling a sense of responsibility in 7-10 year-olds by letting them compile their own menus based on guided choices. Lastly, the Open Café format — which launched 7 new outlets during the year — offers 15-18 year-olds varied and balanced fast-food solutions. Conveying best practices and providing nutritional information in schools also forms a crucial ingredient of the approach adopted by Serunión in Spain. This key focus is illustrated by the company’s renewal of its partnership with the University of Navarra, a national standard-setter on dietary issues. In addition, since 2004 Serunión has trained child supervision staff to take care of children outside class time. The number of these supervisors practically doubled during the year, reaching some 3,800. Meanwhile, in the United Kingdom, Avenance pursued its “Balance” programme, dedicated to helping secondary school children make balanced food choices, and added an extra dimension by launching “MiniGiant” for primary school pupils.

**Buoyant growth in Europe**
In France, Avenance signed new public services management contracts with a number of local authorities, including...
Noisy-le-Grand, Clichy-la-Garenne and Pontarlier. As the partner of choice for private educational establishments, Avenance has expanded its operations in the Education sector, signing contracts with first-class institutions, notably in Dijon and Saint-Dié. In the state secondary-school market and the higher education sector, Avenance won contracts with the Janson-de-Sailly school and the École Supérieure des Techniques de Biologie Appliquée in Paris, as well as with the École Supérieure de Commerce in Brest.

In Spain, Serunión entered into new contracts with state secondary schools in Grenada and Toledo, as well as with the Maristas Sagrada Familia private school in Alicante and the University of Mondragón in the Basque country. In the United Kingdom, Avenance won the catering bids for the state-run North Swindon Schools Group (primary and secondary) and for Shrewsbury School in the private sector.

In the Netherlands, Avenance was awarded the catering contract for the ROC Aventus vocational training college in Deventer, as well as for Albeda College in Rotterdam and the American School of The Hague.
In the Healthcare & Seniors sector Elior actively contributes to the quality of life of the patients, staff and residents in clinics, hospitals, retirement homes and nursing homes. As a multi-service operator, the Group meets the broad array of needs specific to this sector’s clients.

**Bespoke catering formats**

Avenance has developed tailored catering services adapted to each particular context. For example, in 2005 it launched the *Itinéraire du patient* concept, which is now up and running in 17 establishments. It also offers "easy-to-eat" (*Faciles à manger*) menus in some fifteen retirement homes, designed to help overcome eating difficulties often experienced by dependent seniors. In addition, Avenance has launched a new dining room service solution, called *Le Restaurant du Bien Vieillir*.

**Broadening the Group’s multi-service offering**

In France, 2005-2006 saw the acquisition of First Maintenance Company (FMC) and Gestion Déleguée de Services (GDS), two companies with strong expertise in providing facilities management solutions in the Healthcare & Seniors and Business & Industry sectors. Consequently, Elior now has a comprehensive and integrated Healthcare & Seniors offering, with Avenance Santé-Résidences for catering services, Hôpital Service for hotel and specialised cleaning services, Services et Santé for the management of cafeterias, retail outlets, vending machines and television rental services, and FMC for light maintenance, switchboard and receptionist services.

**Strong business growth**

In France, Avenance and Hôpital Service won a host of contracts with private establishments run both by charities...
CHOOSING MEALS AND HAVING THEM SERVED CONTRIBUTES TO PATIENTS’ WELL-BEING.

HÔPITAL SERVICE PROVIDES HYGIENE AND CLEANING SERVICES.

and businesses. Prime examples include Foch hospital in Suresnes, the Antoine Lacassagne medical centre in Nice, the Clinique du Parc (part of the Clinipôle group) near Montpellier, new clinics belonging to the Générale de Santé group and the Bizet clinic in Paris. Lastly, Services et Santé, whose network now encompasses some 50 outlets in France, was awarded the contract for managing the cafeterias and vending machines at the Nantes, Seclin and Fécamp hospitals.

In Spain, Seruniòn won contracts for the following hospitals: Son Dureta in Majorca, Juan Ramón Jiménez at Huelva in Andalucía, Sagrat Cor in Barcelona and Beata María Ana in Madrid.

In Portugal, the Group entered into contracts with the Casa Saude da Idanha hospital in Sintra and three establishments in Lisbon.

In Italy, Avenance expanded its Facilities Management operations, notably by signing a service contract with the Savigliano hospital near Turin.

In the United Kingdom, Avenance won the contract for several sites belonging to the Hanover group, which specialises in managing retirement homes based in Brighton and London.

In the Netherlands, Avenance signed a new contract for managing the restaurant in the De Stromen retirement home in Rotterdam and renewed its contract with Maastricht university hospital.

€389 million in sales
13.0% of consolidated sales
1,225 restaurants and retail outlets
Elior manages over 2,000 restaurants and retail outlets in Europe and in Central and Latin America, on motorways, at airports and at city sites (railway stations, museums, exhibition centres and sporting and leisure venues). As well as offering catering services, Elior is a key Travel Retail player, operating through a network of some 540 retail outlets on motorways and at airports and railway stations. In 2005-2006, Concession Catering & Travel Retail operations generated €1,036 million in sales – accounting for 34.5% of the consolidated total – and employed some 17,000 people.
Motorways
Percentage of consolidated sales 11.0%

Sales €332 million
Geographical footprint Chile, France, Italy, Luxembourg, Mexico, Portugal, Spain

Airports
Percentage of consolidated sales 12.0%

Sales €360 million
Geographical footprint Argentina, Chile, France, Italy, Mexico, Morocco, Portugal, Spain, United Kingdom, United States (Miami), West Indies

City Sites
Percentage of consolidated sales 11.5%

Sales €344 million
Geographical footprint Argentina, France, Italy, Mexico, Spain, United Kingdom, West Indies
As the motorway catering leader in France, Spain and Portugal, Elior offers catering, retail and services solutions tailored to drivers and their families, aimed at easing their journeys. The Group continually enhances the appeal of its motorway service areas by regularly renewing and enriching its offering.

Providing a first-class welcome is key to Elior’s strategy in managing its motorway service areas. For instance, it takes great care in designing the layout and facilities of each site. In France, Eliance opened a new building at the Mornas service area on the A7 motorway, combining a broad array of services for travellers (including rest and play areas), as well as a catering offering provided under the L’Arche and Quick banners and a vending area. In addition, since June Eliance has been offering the Vitazen concept at the Saint-Léger service area on the A10, a concept dedicated to helping drivers relax in a space that blends soft light with soothing colours. In Spain, Áreas opened up an innovatively designed facility at the Llobregat service area on the A7, providing fast-food solutions, a cafeteria, retail outlets and a wide range of services all at the same site.

An offering tailored to the requirements of drivers and families

Elior’s success in the motorway market lies in its ability to design an offering that allies widely recognised catering brands (both own brands and franchises) with retail outlets and services targeted at travellers. In France, Eliance introduced the Paul banner at four additional service areas. At the same time, Eliance’s teams designed Too! Snack – a new outdoor catering stand format offering hot and cold snacks in a bright and cheerful setting. Thirty-one of these outlets were opened during the year. Also in 2005-
In Spain, Áreas consolidated its leading position in the motorways market, winning contracts to manage two service areas on the A7 motorway, at Elche in Alicante, and Torrent, near Valencia.

In Italy, MyChef – which is 40%-owned by Elior – began providing catering services at the Beinasco service area, near Turin.

In Latin America, Áreas signed a partnership agreement with Orsan, a company that controls 40 service areas on the Mexican motorway network. The agreement relates to managing catering facilities and retail outlets at sites to be opened over the next two years.

2006 a Paul outlet and a store were opened at the Saint-Léger service area, rounding out the existing solutions provided under the L’Arche and Le Boeuf Jardinier banners.

Solid market positions
In France, Eliance opened the Alençon service area on the A28 motorway, in association with a major oil company following a jointly-won bid. On a more general note, Eliance continued to develop partnerships with oil companies relating to the full management of motorway service areas. During the year, it took on nine of the national network sites, bringing the total number of sites managed by the Group under this partnership to over 30.

€332 million
IN SALES
11.0%
OF CONSOLIDATED SALES
586
RESTAURANTS AND RETAIL OUTLETS
Concession Catering & Travel Retail

Airports

A high-quality and attractive offering for travellers

Present in Argentina, Chile, France, Italy, Mexico, Morocco, Portugal, Spain, the United Kingdom, the United States (Florida), and the West Indies, Elior is a major provider of Concession Catering & Travel Retail services at airports.

A comprehensive offering

Airport passengers and users have a diverse range of catering and retail needs. Elior meets these requirements through an offering that combines popular high-street brands (such as Costa Coffee, Häagen-Dazs, Illy, Paul, Pomme de Pain and Quick), with own brands including Ars, Café Café, Divers, Medas, OuiShop, Philéas, Sibarium Delicatessen and The Airport Market.

The Group is constantly developing vanguard catering and travel retail solutions geared towards strengthening the appeal of airport terminals. For example, Eliance has set up a new food-court concept in Terminal 1 at Nice Airport that groups four outlets – including a Quick and a Paul – and in Bordeaux passengers can step into the sporting world at the Oxbow Café. In Spain, Áreas has created new formats at Madrid-Barajas Airport, such as Caffriccio which proposes a range of different types of coffee and pastries, and Vinea, offering a selection of wines and traditional products. Madrid-Barajas also saw the opening of Travel Mate – a new store format launched by Áreas, specialising in travel and luggage items.

Steady expansion

In France, Eliance enlarged its footprint by taking over the running of the restaurants at Toulouse and Strasbourg airports and renewing its contract with Brest Airport. Also during the year the Group won a bid in Belgium for operating several retail outlets in the new terminal at Charleroi Airport.

AN OUTSTANDING OFFERING FOR THE NEW TERMINAL AT MADRID BARAJAS AIRPORT

In February 2006, Áreas commenced operations in the new terminal at Madrid-Barajas Airport. To meet consumer demand Áreas has devised a high-quality offering that combines a range of different catering and travel retail formats, including Ars, La Pausa, Natural Break, Illy Café and Sibarium Delicatessen as well as two new concepts – Vinea and Travel Mate. The whole project encompasses 27 catering outlets and 5 stores, representing a total retail area of some 10,000 sq.m.

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In **Spain**, within the context of a rapidly growing market, Áreas started up operations at the new terminal at Madrid-Barajas Airport. With this additional business, Áreas now has an operating presence in 21 Spanish airports.

In **Portugal**, Áreas opened four retail outlets in the new terminal at Porto Airport, under the Food Gallery, Café Café, Meal O’clock and Medas Beer banners.

In **the United Kingdom**, Elior is present at Edinburgh Airport, through a Paul outlet and a Sea-Food Bar, and Aberdeen Airport, where it extended its offering in 2005-2006 to include two Costa Coffee outlets.

In **Latin America**, Áreas launched new outlets at Argentina’s Neuquen, Comodoro and Bariloche airports in association with its partner Aeropuertos 2000.

In **Mexico**, Áreas’ subsidiaries Latinoamericana Duty Free and Aerocomidas opened up numerous retail outlets at Mexico City Airport, operating under the Bonguito’s, HJB and Airport Market banners, as well as a Carl’s Jr. outlet at Vallarta Airport. In addition, a new duty free store was opened at Guadalajara Airport.

In **Italy**, MyChef – which is 40% owned by Elior – ranks number two in the country’s airport concession catering market. This company, which already runs catering outlets at the Malpensa and Linate airports in Milan, has now also won the contract for Florence Airport.

**€360 million**

**IN SALES**

**12.0%**

**OF CONSOLIDATED SALES**

**685**

**RESTAURANTS AND RETAIL OUTLETS**

---

AN "ILLY CAFÉ" AT CHARLES DE GAULLE AIRPORT.

ELIOR MEETS PASSENGERS’ NEEDS THANKS TO WELL-KNOWN BRANDS.
Elior provides restaurant services, event catering and retail outlets in railway stations, museums, tourist attractions, sporting venues and exhibition centres. In France the Group also runs several prestigious gourmet restaurants.

The Group expands and innovates at railway station sites
Thanks to its expertise and high-quality offering and brand portfolio, Elior is able to respond swiftly to the constantly evolving needs of railway management companies. In France, Eliance reinforced its market leadership position through the acquisition of Station Restauration, which manages retail outlets at 13 sites through the Pain Soleil takeaway banner and the buffet specialist Pub Station. During the year, Eliance also pursued its strategy of renovating its sites at stations outside Paris and rolling out well-known brands such as Philéas and Columbus Café. At the same time, Áreas – the leading caterer in the Spanish railway station market and partner to Spain’s national railway company – has renewed its catering contract for Madrid Atocha station where it set up a vending offering and opened new retail outlets in 2005-2006 under the Café Café and Fast Burger banners.

Tailored services for cultural and leisure venues and prestigious gourmet restaurants
One of Elior’s core strengths is proposing bespoke solutions. Les Ombres – the restaurant that opened in 2006 at the new Quai Branly museum in Paris – is a prime example of the Group’s ability to assimilate the character of the cultural sites in which it operates. In addition, Elior has renewed its partnership with the Musée d’Orsay, whose restaurant was fully renovated during the year, and a new revitalised menu is now on offer. 2005-2006 also saw the launch of a new restaurant – La Petite Venise – in the grounds of Versailles palace. At the same time, the Group signed a key multi-service contract with the Cercle National des Armées in Paris for provid-
ing all of the catering, hotel and other services for the Cercle’s officers’ club on Place Saint-Augustin in Paris.

In the United Kingdom, the Group expanded its business during the year by starting up operations under contracts with tourist venues such as Harewood House—a stately home close to Manchester. The Group also continued to notch up prestigious commercial wins, including contracts for a number of racecourses run by the Racecourse Holdings Trust—such as Kempton Park in Middlesex—as well as for St Fagans Museum in Cardiff, the National Maritime Museum, and Waterstone’s book shop in Piccadilly, London.

In Central and Latin America, Latinoamericana Duty Free expanded its Deor network of over 130 retail outlets operating in hotels and tourist resorts in Mexico and the Dominican Republic and also purchased 14 duty free stores in Saint-Marteen.

Heightened presence at exhibition centres

In France, Elior manages catering facilities for the exhibition centres at Paris Expo Porte de Versailles, Paris Nord Villepinte and Le Bourget. The Group is also active in this market in Spain, where Áreas manages catering facilities at the IFEMA exhibition centre in Madrid and the FIRA centre in Barcelona. Operations in Italy were expanded in 2005-2006, with MyChef winning the contract for several retail outlets at Rome’s new exhibition centre.

€344 million
IN SALES
11.5%
OF CONSOLIDATED SALES
860
RESTAURANTS AND RETAIL OUTLETS
Our strengths

Elior has consolidated its position as a major player in the European contracted foodservice and related services industry by forging strong partnerships and offering formats that are attuned to the needs of both its customers and partners. The Group’s success is also underpinned by its ability to unite its teams around key goals and its focus on people development.
Focusing on growth and a multi-service offering
Forging partnerships and fostering an entrepreneurial spirit

Elior has developed a sustainable and profitable growth strategy in the high-potential markets of its two core businesses: Contract Catering & Facilities Management and Concession Catering & Travel Retail. In rolling out this strategy, the Group draws on the entrepreneurial spirit of its people, as well as on the strong partnerships it has built up with its clients. Backed by an array of well-known brands, it has steadily enlarged its footprint and bolstered its strengths through the shareholders and executives of new companies joining the group.

**A strategy that hinges on high-potential markets**

Elior’s core business is Contracted Food-service and its two components, Contract Catering and Concession Catering. These are healthy, growing sectors. In Contract Catering, growth is driven by the increasingly important role played by specialist operators in meeting the needs of companies, government agencies and health and education establishments. In Concession Catering it is driven by a steady rise in passenger traffic and tourist numbers.

Elior constantly strives to provide a first-class offering to its clients and guests. This entails relentlessly devising new concepts, creating partnerships with well-known brands and leveraging synergies between Contract Catering and Concession Catering. The Group also has a broad and structured Facilities Management offering within its Contract Catering business – comprising specialised cleaning, hotel services, television rental, receptionist and switchboard facilities and light maintenance – and provides Travel Retail services as part of its Concession Catering business. This line-up is rounded off by Vending Services, which is incorporated into both core businesses.

Our strengths
The Group’s Facilities Management offering, which was originally developed in the Healthcare & Seniors sector in France, has now been extended to Business & Industry customers, particularly through the specialist services provided by First Maintenance Company. Elior’s multi-service offering is also expanding in the Healthcare & Seniors sector in Italy and in Business & Industry in the United Kingdom, where it has been taken up by the Ministry of Defence.

In addition, the Group has become a recognised player in Travel Retail, with some 540 retail outlets in France, Spain, Portugal and Latin America, making up a dense network on motorways, as well as in airports, hotels and resorts.

Forging partnerships and fostering an entrepreneurial spirit

Elior’s growth trajectory is grounded in the entrepreneurial spirit of its people, as well as in a strong tradition of partnerships built up with:

- **the Group’s customers**, with a view to devising catering and service solutions tailored to their needs and requirements.

- **well-known brands**, enabling the brands to reap the benefits of the Group’s presence in numerous public places and major corporations, whilst creating the opportunity for Elior to boost its appeal and visibility.

- **the shareholders and executives** of companies acquired by the Group, offering shareholders the possibility of progressively selling their interests if they so wish, and enabling the companies’ executives to fully invest their efforts in Elior by committing to the Group’s targets and growth strategy.
Elior constantly hones and broadens its service offering in order to ensure it is always attuned to its markets. As part of this strategy, the Group aims to be permanently one step ahead, anticipating changes in the expectations of its clients and guests and meeting their requirements through original and innovative catering formats combined with a comprehensive range of integrated services.

Promoting nutritional balance and well-being
Health and diet are key issues for today’s consumers. To help address these concerns, Elior has developed a range of formats designed to promote healthy and balanced daily food choices. The Business & Industry sector has adopted the Équilibre healthy eating format which follows the recommendations issued by the French National Health and Nutrition Programme (PNNS) and provides guests with simple advice to vary their eating habits. With the same aim in mind, the Group’s Cocoon catering stands offer a full range of low-calorie recipes devised in conjunction with nutritionists. Another of Elior’s core commitments is to provide nutritional information, as illustrated by the Lijn van je leven (Life-line) format introduced in the Netherlands, which has received the support of the nutritionist and food writer, Sonia Bakker. In the Education sector, the Group has introduced its Le Self qui fait grandir format in two teaching establishments in Italy. Already widespread in France, this formula is focused on providing nutritional balance and educating children’s tastes. The year 2005-2006 also saw the launch of the new “Nutri’Stick” concept that combines education with a fun approach, using different coloured symbols to highlight healthy food options for young people.

SERVING CONSUMERS VIA NEW TECHNOLOGY
Elior provides information and service portals to its clients and consumers. Clients – including businesses, local authorities and clinics – can use these portals for reporting and communication purposes, as well as for ordering services and managing meeting rooms, while consumers (such as employees and families), can obtain information or pay for services on line.
In the Healthcare & Seniors sector the Group proposes innovative menus that are adapted to medical requirements and enable people living in retirement homes who have difficulty eating or who are disoriented to rediscover the pleasure of flavours and tastes.

**Developing new formats in phase with changes in consumer behaviour**

In line with its strategy of constantly innovating, Elior has developed several formats to satisfy consumers' changing tastes and lifestyles. For instance, the Tentations concept provided in the Business & Industry sector boasts a range of fun and tasty recipes and Fusion Wok is a showcase for wok cooking.

At the same time, Bert’s format serves customers looking for a superior fast-food solution and the Too!Snack offering on motorways provides travellers with hot and cold snacks in a bright and cheerful atmosphere. In Spain, Áreas has introduced the Plaza Mayor concept at Madrid-Barajas Airport – a self-service restaurant set in surroundings reminiscent of early 20th-century Madrid.

**Providing a full array of integrated services**

Elior provides a comprehensive range of service solutions as part of its healthcare business in France, including catering, hotel services, cafeteria management, specialised cleaning and television rental. In addition, the Group offers a broad palette of Facilities Management services – encompassing light maintenance and mail, switchboard and receptionist services – to clients in both the Healthcare & Seniors and Business & Industry sectors.

Elior also combines its catering services with Travel Retail facilities on motorways as well as at railway stations and airports. The Group has an extensive network of retail outlets operating under banners such as OuiShop, Duty & Tax Free, Sibarium Delicatessen, Divers and The Airport Market.
Our strengths

Communication

Conveying and promoting the Group’s strategic goals

Elior’s communication policy conveys and promotes the strategic goals of its various businesses, with the twin goals of spreading the renown of a fast-growing group and showcasing its businesses and expertise.

Sharing the Group’s vision with its people

Internal communication plays a key role in a group that is an international multi-service provider. It is the means for informing employees and uniting them around the Group’s strategic goals. The Group has an in-house newsletter—Elior Magazine—which is sent every three months to employees in France and internationally, keeping them up to date with the latest developments. Other more business-specific information is also provided to employees in the Group’s different entities. At the same time, Elior has an intranet site which is used to share information, resources and best practices. In addition business-specific seminars are regularly organised in the main countries where the Group operates.

Championing the Group’s image among industry leaders

Elior’s communication campaigns targeted at its customers and partners help to bolster the Group’s positioning and affirm its active role in each area where it has operations. Public relations campaigns are regularly carried out with both customers and partners and the Group’s corporate website serves as a vector for raising visibility. Elior also frequently participates in trade fairs such as the Mayors’ Show (Salon des Maires), as well as numerous conventions relating to its various businesses.

Building long-term relationships with clients, partners and guests

Elior takes great care to establish long-term relationships with its clients and guests, founded on confidence and trust. Targeted information is used to relate the Group’s news, explain changes in its offerings and highlight the successes
it has achieved in tandem with its clients. Two examples of this type of communication are Avenance’s La Lettre Partenaires in the Business & Industry sector, and Avenance Mag for the Education sector. In 2006, Avenance launched Cantes.com, a new communication, invoicing and management tool aimed at families and local authorities in its Education sector business. In the same vein, Avenance sends a Lettre aux Parents to 360,000 families twice a year to provide them with additional information about school meals and raise awareness of the company’s overriding goal of educating children’s tastes.

Communicating during a crisis
The Group has put in place a state-of-the-art crisis communication procedure in order to deal swiftly with any unforeseen situations that may impact its customers, partners or employees. An emergency call-line forms the core of this procedure. Open 24 hours a day, 7 days a week, it is intended to serve as a link between witnesses of any incidents and the Group’s managers and to enable any necessary action to be taken as quickly as possible.
For the past several years, Elior’s human resources policy has been based on six shared priorities for all of the countries in which it operates, with one overriding aim—becoming the preferred employer in its industry.

Establishing a long-term human resources policy
Elior’s human resources policy is an integral part of its growth strategy and hinges on the following six priorities aimed at enhancing the skill-sets of the 60,500 people that work with the Group:

Attract and integrate talent. Each year some 6,000 people join Elior on open-ended contracts in France, thanks to the Group’s innovative and varied recruitment process. Since 2003, the Group has worked with the French national employment agency, the ANPE, to set up a recruitment method based on simulations, which pinpoints the specific abilities of job candidates. This method plays a contributory role in helping Elior meet the commitments it signed up to in 2005 under the Corporate Diversity Charter.

Another key human resources area is integrating each new employee. For example, as part of the induction process in the United Kingdom special sessions are held with a view to raising employees’ awareness about encouraging diversity and combating discrimination.

Train, certify and help develop. Elior has stepped up its training programmes both for business-specific and managerial skills. Training managers from the Group’s different countries meet on a regular basis to discuss strategies and best practices. In Spain, Áreas has set up a training organisation based on a “University” and a “College”.

Know and recognise each employee. In addition to its annual appraisal procedure, Elior has developed a specific feedback framework entitled Évaluation Collégiale des Hommes et des Structures (ECHOS). This process is used to build up managerial skills and encour-
EACH YEAR, SOME 6,000 PEOPLE JOIN ELIOR ON OPEN-ENDED CONTRACTS IN FRANCE.

ELIOR HAS STEPPED UP ITS TRAINING PROGRAMMES FOR BUSINESS-SPECIFIC SKILLS.

age mobility. In France, the Group drew up a "Professions Guide" in 2006 in order to provide employees with deeper insight into the diversity of the Group’s 40 key operational professions and their related career structures. Elior also organises an annual international cooking competition which attracted 340 participants from across the globe in 2006.

Foster and develop a managerial culture. Managerial skills form one of the lynchpins of the Group’s human resources policy. The Devenir scheme was pursued in France during the year, with training provided for 1,100 unit managers. Launched in 2004, this programme is based on an acronym representing the French word for “BECOMES” and encapsulates the key behaviours that the Group expects from each of its managers: Be professional, Engaged, Care about results, Orient, Mentor, Encourage, Show respect. In 2006, it was introduced for the first time in the Netherlands, under the name "Dutch Devenir". Also during the year, the Group’s top 250 managers attended seminars on managerial behaviour and practices, as part of the Elior Management University programme.

Advance labour relations. In 2006, Avenance circulated a manual to its operational managers in the Education and Healthcare & Seniors sectors, setting out the main provisions of French labour law and providing a guide to best labour practices. In parallel, Avenance Italy provided its site managers with training on union relations.
Support business operations

In France, Elior has set up a software-based job applicant management system shared by some 300 potential recruiters within the Group. This software acts as a vehicle for Elior’s various business units operating across different regions to share access to details of job applicants, enabling them to fill a particular post swiftly and efficiently.

Integrating employees and encouraging career development

Spotlighting everyone’s skill-sets. The Group has set itself the objective of promoting 10% of its current non-managerial staff to managerial positions within five years. With this aim in mind it has strengthened its training policy and diversified its career guidance measures. Particular focus has been placed on providing training for the Group’s least qualified employees. At the same time, the Group organises Professional Qualification Certificates (Certificat de qualification professionnelle) for Managing Chefs and Operations Assistants.

Discovering young talent. Elior has entered into numerous partnerships with vocational training institutions with a view to discovering budding talent, including with the Grégoire Ferrandi Culinary Institute (ESCF) in Paris, which was renewed in 2006. These partnerships enable the Group to help train young people by providing students with internships, apprenticeships and employment.

As a signatory of the French government’s Apprenticeship Charter, each year in France Elior invites a number of apprentices – who now total 200 – to a national induction day. The Group’s apprenticeship conditions are set out in an internal corporate charter. The Group also relays information about its professions through the trade fairs it attends, which in 2006 included the inaugural Diversity and First Job Exhibition (Salon de la Diversité et du Premier Emploi) held in Paris. In addition, Elior builds long-term relations with colleges through its network of ambassadors. These former students give talks at the colleges where they studied and personify a successful career within Elior.

Helping the disadvantaged and disabled find employment. Elior devotes particular attention to hiring and integrating disadvantaged and disabled people and is committed to combating all forms of discrimination. In France, Ave-
Management skills are a key focus of the group’s human resources strategy.

Elior has set up a partnership with l’Etablissement Public d’Insertion de la Défense (EPIDE) to offer internships to young people with no qualifications, leading to apprenticeships or permanent contracts. Eliance Autoroutes has renewed the agreement signed with its employee representatives in 2004 to encourage the recruitment of disabled people. The company was able to hire numerous disabled workers during the year thanks to the effect of this agreement combined with its pro-active involvement with charities—especially with the CAP Emploi association, which helps disabled people find work—and its attendance at specific events such as the Disabled Workers Employment Week (Semaine des handicapés).

In Spain, Serunió has issued a brochure that lists the various regional partners who help disadvantaged young people and disabled workers to find employment. For the past ten years, the Elior Foundation (www.fondation-elier.com) has provided financial backing for many young students to follow higher education courses, as part of an overall drive to encourage social advancement and help low-income families.

**NUMBER OF EMPLOYEES BY COUNTRY**

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of employees*</th>
<th>%</th>
<th>Proportion of women</th>
</tr>
</thead>
<tbody>
<tr>
<td>France (100 nationalities)</td>
<td>30,852</td>
<td>51%</td>
<td>58%</td>
</tr>
<tr>
<td>Spain and Portugal</td>
<td>11,773</td>
<td>19%</td>
<td>76%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>9,898</td>
<td>16%</td>
<td>60%</td>
</tr>
<tr>
<td>Italy</td>
<td>4,363</td>
<td>7%</td>
<td>83%</td>
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<tr>
<td>Netherlands</td>
<td>1,676</td>
<td>3%</td>
<td>78%</td>
</tr>
<tr>
<td>Other</td>
<td>1,968</td>
<td>3%</td>
<td>58%</td>
</tr>
<tr>
<td>Total (140 nationalities)</td>
<td>60,530</td>
<td>100%</td>
<td>64%</td>
</tr>
</tbody>
</table>

*Including 69% of the staff of Áreas and its subsidiaries, which are proportionally consolidated.

www.global-reports.com
Our commitments

The relationships that Elior builds up with its clients and guests are founded on responsiveness, closeness and trust. At the same time the Group constantly focuses on embracing the principles of sustainable development.
For Elior, carefully listening to its customers’ needs is essential to developing its catering and other service offerings. The Group’s teams are extremely aware of the importance of analysing customer requirements, understanding their individual aims and taking into account their specific situation, with a view to building partnerships and reaching the best possible solutions. This overriding strategy is driven by the ideas and experience of the Group’s people.

**Analysing and anticipating trends**

Knowing your market is essential for providing tailored responses. With this in mind, Elior has developed a structured process for analysing and anticipating trends and developments. The Group regularly analyses changes in its markets through studies and surveys – notably performed by the socio-behavioural research firm Sociovision Cofremca – that identify trends in consumer behaviour patterns, especially in the areas of food and nutrition. Seminars are regularly organised for the Group’s marketing and operational teams in order to share information and stay ahead of customer needs. The Group’s teams have also set up a system to monitor the latest innovations.

**Defining quality criteria**

Quality is a key concern for companies seeking superior services from their partners. In France, Elior has continued to roll out its Les Evidences approach in its Contract Catering businesses; this defines the Group’s service quality criteria, gives guidance to its clients and boosts guest satisfaction levels. It is backed by a Partner Loyalty Charter which is based on pro-actively listening to clients’ suggestions and following up with proposals, as well as a Guest Quality Charter aimed at satisfying guests day-in day-out through six commitments centred on reception, service quality and hygiene. In the Concession Catering business, Elior organises an annual Eliance Quality Com-
petition to reward the teams that have made the most progress in improving quality standards. Areas has also launched an in-house quality competition in Spain targeted at site managers.

**Listening to customers to better meet their needs**

Maintaining strong customer relationships also requires measuring customer satisfaction, which the Group does on a regular basis. Elior has set up for example, a Guest Barometer to appraise the satisfaction of the Group’s consumers and during the year carried out national surveys in the Business & Industry, Education and Healthcare & Seniors sectors, in partnership with the market research firm Ipsos. These surveys gauge satisfaction levels in terms of the Group’s service offering, customer care and environmental approach.

A Partner Barometer has also been put in place to measure the satisfaction of the Group’s clients through surveys performed every eighteen months. This barometer was introduced by Avenance in the United Kingdom for the first time in Autumn 2006.
Elior’s relations with its partners, clients and guests are founded on trust and confidence. The Group applies a stringent strategy of anticipating and preventing food safety risks, based on strict product listing and quality control procedures. It also receives input and advice from a Scientific Committee made up of well-known independent experts.

Anticipating regulations and defining and implementing product criteria
Hygiene regulations are constantly changing and incorporating the new guidelines into production processes is vital for maintaining quality and safety standards. In 2005-2006, Elior’s Food Quality and Safety department implemented the new European regulations which harmonise and simplify hygiene rules within the European Community. The practical aspects of these new regulations are gradually being put in place within the Group.

Also during the year, Elior drew on its food safety expertise to assist the French National Union of Contract Caterers (SNRC) to draw up new regulations concerning the microbiological criteria applicable to catering operations in France.

Strict control procedures and swift response times
Maintaining high food quality standards requires strict compliance with the relevant procedures at each stage of the production process. Elior has drafted detailed specifications for selecting products and suppliers based on exacting technical criteria. The product and supplier selection and reference procedures established in France, together with all of the operations conducted by Elior’s Purchasing and Logistics Department, have been awarded ISO 9001 certification. In 2005-2006 these proce-
dures were strengthened by a new process requiring all food suppliers to be approved in advance by the Food Quality and Safety Department. In addition, Elior has compiled a number of HACCP (Hazard Analysis Critical Control Point) manuals to ensure that health and safety conditions are respected in its catering businesses. These manuals continued to be reworked in 2005-2006 in order to take into account the latest technical and regulatory developments. The Group has also drawn up a “Hygiene Passport” for its Contract Catering businesses which sets out the main rules and regulations relating to this issue. This passport is given to the employees concerned during their Group induction course.

Traceability has become an essential link in the production chain. Audits and other checks are regularly carried out within the Group, either internally or by independent experts. Each year in France Elior performs some 200 supplier audits and over 50,000 microbiological analyses. Around 10,000 hygiene audits are also performed at the Group’s restaurants by independent laboratories. An alert system has also been set up, in conjunction with official agencies, in order to ensure the rapid withdrawal of any products that may pose a potential health risk.
In line with its commitments under the United Nations’ Global Compact signed in 2004, Elior’s sustainable development policy is structured around the interests of all stakeholders including the Group’s employees and guests, the local community and the environment at large.

**A pro-active communication policy**

Elior provides a steady flow of information on its sustainable development commitments, particularly through the UN’s Global Compact website (www.unglobalcompact.org). During the year, the Group continued to organise awareness-raising sessions on sustainable development for all levels of managers and continued to inform employees about the issue through in-house communication channels. Elior’s Human Resources department is responsible for coordinating the Group’s sustainable development projects.

**Initiatives geared towards all stakeholders**

**For clients and guests:** In all of the countries where it operates, Elior takes measures to promote healthy eating. This strategy has four main strands:

- **Increasing** the nutritional value of offerings.
- **Raising awareness** of specific physiological features.
- **Contributing** to helping the prevention of obesity and cardiovascular disease.
- **Relaying information** among clients and guests and training employees.

This overarching strategy underpins the Group’s various healthy eating initiatives, such as the *Equilibre* format in France, *Balance* in the United Kingdom and *Life-line* in the Netherlands.

**For employees:** Elior has introduced numerous initiatives for its employees as part of its commitment to corporate social responsibility. To name but a few, in France it has signed the Corporate...
Diversity Charter, the Apprenticeship Charter and the Charter for Equal Educational Opportunities. The Group has also set up innovative recruitment methods based on candidates’ practical professional skills. The aim of becoming “the preferred employer in the industry” is shared by all of Elior’s employees in Europe through six common priorities based on strong managerial values, promoting social dialogue and effectively integrating and developing the skill-sets of the people who join the Group.

**For the community and the environment:** Elior’s commitment is illustrated by the work of the Elior Foundation, *Agir pour l’Éducation*, which celebrated its tenth anniversary in 2006. The Foundation provides the financial backing for young people with at least one parent working in the catering industry to follow a higher education course. A total of 448 students have benefited from the Foundation’s support since it was formed, representing an overall investment of €1.250 million.

The Group is also committed to helping bring together different generations through operations such as *Raconte-moi la soupe* and *On pense à vous*, as well as setting up children’s play areas in retirement homes.

Elior pays particular attention to respecting and safeguarding the environment in all of its operations. This mainly entails managing natural resources, controlling emissions and recycling waste. In France, a working group composed of in-house and external experts, set up in 2002, analyses and promotes best practices in these areas.

Also in France, Avenance uses napkins made of recycled paper in all of its corporate restaurants and in Spain, Áreas recovers 50% of the water used for watering plants at its motorway service areas. As part of its food purchasing policy, two particularly endangered species of fish have been withdrawn from the Group’s menus and detergents have to meet environmental criteria before being listed.
### Summary consolidated balance sheet - Elior

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>30/09/2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td>Goodwill and other intangible assets</td>
<td>1,099.8</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>312.9</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>54.5</td>
</tr>
<tr>
<td>Deferred tax assets – net</td>
<td>35.6</td>
</tr>
<tr>
<td>Net working capital requirement (2)</td>
<td>(185.8)</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>1,317.0</td>
</tr>
<tr>
<td><strong>EQUITY AND LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td>Total equity (1)</td>
<td>688.7</td>
</tr>
<tr>
<td>Provisions</td>
<td>72.7</td>
</tr>
<tr>
<td>Net debt</td>
<td>555.6</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY AND LIABILITIES</strong></td>
<td>1,317.0</td>
</tr>
</tbody>
</table>

(1) including minority interests in the amount of: 8.0

(2) Net working capital requirement = inventories + trade receivables – trade payables + other receivables – other payables.
### Operating profit - Elior

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>Year ended 30/09/2006 (1)</th>
<th>Year ended 30/09/2005 (1)</th>
<th>Year ended 30/09/2004 (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>3,001.7</td>
<td>2,822.0</td>
<td>2,542.2</td>
</tr>
<tr>
<td>Purchase of raw materials and consumables</td>
<td>(990.0)</td>
<td>(933.1)</td>
<td>(853.0)</td>
</tr>
<tr>
<td>Personnel costs (3)</td>
<td>(1,296.7)</td>
<td>(1,213.1)</td>
<td>(1,052.7)</td>
</tr>
<tr>
<td>Other operating expenses - net</td>
<td>(410.5)</td>
<td>(386.6)</td>
<td>(387.6)</td>
</tr>
<tr>
<td>Taxes other than on income</td>
<td>(48.3)</td>
<td>(45.3)</td>
<td>(38.0)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td><strong>256.1</strong></td>
<td><strong>243.9</strong></td>
<td><strong>210.9</strong></td>
</tr>
<tr>
<td>As a % of consolidated sales</td>
<td>8.5 %</td>
<td>8.6 %</td>
<td>8.3 %</td>
</tr>
<tr>
<td>Stock option expense</td>
<td>(1.1)</td>
<td>(1.1)</td>
<td>–</td>
</tr>
<tr>
<td>Depreciation, amortisation and provisions</td>
<td>(82.5)</td>
<td>(74.2)</td>
<td>(65.6)</td>
</tr>
<tr>
<td><strong>Recurring operating profit (EBITA)</strong></td>
<td><strong>172.6</strong></td>
<td><strong>168.6</strong></td>
<td><strong>145.3</strong></td>
</tr>
<tr>
<td>As a % of consolidated sales</td>
<td>5.8 %</td>
<td>6.0 %</td>
<td>5.7 %</td>
</tr>
</tbody>
</table>

(1) IFRS.
(2) French GAAP.
(3) Excluding stock option expense.
# Contact information

## France

**Contract Catering & Facilities Management**

### Business & Industry

<table>
<thead>
<tr>
<th>Service</th>
<th>Address</th>
<th>Tel.</th>
<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avenance Entreprises</td>
<td>46-52, rue Albert 75013 Paris</td>
<td>+33 1 56 61 40 00</td>
<td>+33 1 56 61 41 00</td>
</tr>
<tr>
<td>Arpège</td>
<td>223, avenue Pierre-Brossolette 92120 Montrouge</td>
<td>+33 1 47 35 25 25</td>
<td>+33 1 46 56 52 02</td>
</tr>
<tr>
<td>Les Repas Parisiens</td>
<td>Parc d’affaires SILIC 94523 Rungis</td>
<td>+33 1 56 70 67 50</td>
<td>+33 1 56 70 67 59</td>
</tr>
</tbody>
</table>

### Education

<table>
<thead>
<tr>
<th>Service</th>
<th>Address</th>
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</thead>
<tbody>
<tr>
<td>Avenance Enseignement</td>
<td>15, avenue Paul-Doumer 92508 Rueil-Malmaison Cedex</td>
<td>+33 1 47 16 51 00</td>
<td>+33 1 47 16 53 49</td>
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</tbody>
</table>

### Healthcare & Seniors and Facilities Management

<table>
<thead>
<tr>
<th>Service</th>
<th>Address</th>
<th>Tel.</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Avenance Santé-Résidences</td>
<td>92-98, boulevard Victor-Hugo 92115 Clichy</td>
<td>+33 1 55 21 87 10</td>
<td>+33 1 55 21 02 07</td>
</tr>
</tbody>
</table>

### Pótsorio Service

<table>
<thead>
<tr>
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<td>92115 Clichy</td>
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## International

### Italy

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<th>Service</th>
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</thead>
<tbody>
<tr>
<td>Avenance Italia</td>
<td>Via Venezia Giulia 5/a 20157 Milano</td>
<td>+39 02 390 391</td>
<td>+39 02 39 00 00 41</td>
</tr>
<tr>
<td>RistoChef/BuonChef (Meal vouchers)</td>
<td>Via Venezia Giulia 5/a 20157 Milano</td>
<td>+39 02 323 151</td>
<td>+39 02 39 00 12 06</td>
</tr>
</tbody>
</table>

### Mexico

<table>
<thead>
<tr>
<th>Service</th>
<th>Address</th>
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<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latinoamericana Duty Free</td>
<td>Capitan Carlos Leon S/N Edificio C – Piso 2</td>
<td>+52 55 51 33 11 20</td>
<td>+52 55 51 33 11 20</td>
</tr>
<tr>
<td>Aerocomidas</td>
<td>Capitán Carlos León, s/n Edificio D, Sala E2 Piso 3 Local 3D Interior AICM Del.V.Carranza 15620 Mexico DF</td>
<td>+52 55 57 64 59 10</td>
<td>+52 55 25 99 02 87</td>
</tr>
</tbody>
</table>

### Netherlands

<table>
<thead>
<tr>
<th>Service</th>
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<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avenance Nederland</td>
<td>Milaanstraat 21-23 1175 RJ Ljinden P.O. Box 37</td>
<td>+31 20 850 1200</td>
<td>+31 20 850 1210</td>
</tr>
</tbody>
</table>

### Spain

<table>
<thead>
<tr>
<th>Service</th>
<th>Address</th>
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</thead>
<tbody>
<tr>
<td>Áreas</td>
<td>Via Augusta 21, 6/a 08006 Barcelona</td>
<td>+34 93 240 15 15</td>
<td>+34 93 240 15 18</td>
</tr>
<tr>
<td>Serunión</td>
<td>Avenida Josep Tarradellas 34-36, 7/a 08029 Barcelona</td>
<td>+34 93 228 95 55</td>
<td>+34 93 228 95 59</td>
</tr>
</tbody>
</table>

### United Kingdom

<table>
<thead>
<tr>
<th>Service</th>
<th>Address</th>
<th>Tel.</th>
<th>Fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elior UK</td>
<td>Central House Balfour Road Hounslow Middlesex TW3 1HY</td>
<td>+44 20 8607 7200</td>
<td>+44 20 8569 4069</td>
</tr>
<tr>
<td>Avenance UK</td>
<td>Central House Balfour Road Hounslow Middlesex TW3 1HY</td>
<td>+44 20 8607 7200</td>
<td>+44 20 8569 4069</td>
</tr>
<tr>
<td>Eliance Restaurants</td>
<td>The Courtyard Catherine Street Macclesfield SK 11 6ET</td>
<td>+44 16 2566 0160</td>
<td>+44 16 2561 2597</td>
</tr>
<tr>
<td>Digby Trout Restaurants</td>
<td>The Courtyard Catherine Street Macclesfield SK 11 6ET</td>
<td>+44 16 2566 0160</td>
<td>+44 16 2561 2597</td>
</tr>
</tbody>
</table>
Elior

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61-69, rue de Bercy
75589 Paris Cedex 12
France
Tel.: + 33 1 40 19 50 00
Fax: + 33 1 43 41 42 36
www.elior.com

Paris Companies Registry: 380 543 678
A French partnership limited by shares
“société en commandite par actions”
with a share of capital of €5,161,738