2015 HALF-YEARLY FINANCIAL REPORT

Edenred

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1.1 Introduction

First-half 2015 saw a **strong like-for-like improvement in financial results**, as the following key indicators illustrate:

- **Issue volume up 9.6%** to **€9,110 million**.
- **Total revenue up 7.8%** to **€539 million**.
- **EBIT up 14.6%** to **€165 million**.
- **Funds from operations[1] up 14.9%** to **€148 million**.

The first half of the year also saw a **sustained improvement in financial results on a reported basis**, as the following key indicators illustrate:

- **EBIT** up **11.5%**.
- **Recurring earnings per share** up **10.7%.**

Highlights of first-half 2015 include:

- Development on the French **Employee Benefits** market through an increased stake in **ProwebCE**.
- Reinforced growth strategy for the **Expense Management** business thanks to the finalization of the acquisition of a 34% interest in **UTA** in Germany and an important sales partnership set up in Brazil with **Daimler**.
- **Further progress in the shift to digital solutions**, which accounted for **66%** of total issue volume at June 30, 2015.

First-half 2015 financial metrics

(in € millions)	First-half 2014	First-half 2015	% change	
			Reported	Like-for-like[2]
Issue volume	**8,320**	**9,110**	**+9.5%**	**+9.6%**
Operating revenue with issue volume	397	428	+7.5%	+9.1%
Operating revenue without issue volume	53	75	+45.0%	+3.8%
Financial revenue	36	36	-1.5%	0.0%
Total revenue	**486**	**539**	**+10.8%**	**+7.8%**
Operating EBIT	112	129	+15.8%	+19.5%
Financial EBIT	36	36	-1.5%	0.0%
Total EBIT	**148**	**165**	**+11.5%**	**+14.6%**
Operating profit before tax and non-recurring items	121	148	+23.0%	n/a
Net profit, Group share	70	82	+17.3%	n/a
Recurring net profit after tax	**82**	**91**	**+12.5%**	n/a
Recurring earnings per share (in €)	**0.36**	**0.40**	**+10.7%**	n/a

[1] Before non-recurring items.

[2] At constant scope of consolidation and exchange rates.

1.2 Analysis of consolidated financial results

The Auditors have performed a limited review of the condensed consolidated financial statements for the six months ended June 30, 2015. Their review report is presented on page 47.

1.2.1 Issue volume

Issue volume totaled **€9,110 million** in first-half 2015, a like-for-like increase of **9.6%** that was in line with the Group's annual organic growth target of 8% to 14%.

Compared to first-half 2014 like-for-like growth (12.3%), the like-for-like growth in issue volume over the six months to June 30, 2015 (9.6%) represents an excellent performance. It was achieved against a tough basis for comparison, since issue volume growth in first-half 2014 was boosted by a strong contribution from Portuguese operations[3] (around 200 points of growth). Moreover, as expected, there was a lower contribution from increased face values in first-half 2015 compared to first-half 2014 (around 100 bp).

Reported growth stood at 9.5% for the period, after taking into account:

- The 0.8% positive impact from changes in the scope of consolidation, which included the acquisitions of Bonus (Brazil) and Nets Prepaid (Finland).

- The 0.9% negative currency effect in the period, primarily due to the 4.8% decline in the Brazilian real against the euro and the 61.3% fall in the exchange rate of the Venezuelan bolivar fuerte[4].

1.2.1.1 ***Issue volume by region***

Like-for-like growth	First-quarter 2015	Second-quarter 2015	First-half 2015
Latin America	+17.3%	+13.4%	**+15.2%**
Europe	+2.7%	+4.3%	**+3.5%**
Rest of the world	+16.0%	+16.9%	**+16.4%**
TOTAL	**+10.0%**	**+9.3%**	**+9.6%**

In **Latin America**, issue volume for the first half was up **15.2%** like-for-like at **€4.6 billion**, including a 13.4% rise in the second quarter.

In **Brazil**, first-half issue volume rose by 11.9% like-for-like in a much less favorable economic environment than in 2014. Despite a significant rise in unemployment, issue volume for the Employee Benefits business was up 8.0% like-for-like, reflecting the solid fundamentals of the business, which benefited from higher penetration and increased face values. Expense Management solutions enjoyed very strong 27.5% like-for-like growth.

In **Hispanic Latin America**, issue volume grew 21.3% like-for-like, thanks to solid performances in the Employee Benefits (up 19.9%) and Expense Management (up 23.0%) businesses. **Mexico**, Edenred's biggest market in the region, posted strong 20.8% organic growth over the period, against a tough comparison basis for the Employee Benefits business since June 2015[5]. This performance also reflects a strong showing in the Expense Management business.

In **Europe**, first-half issue volume was **€4.2 billion**, up **3.5%** like-for-like. This growth reflects more favorable trends in the second quarter, with an acceleration in issue volume growth to 4.3%.

[3] Strong growth following new legislation introduced in June 2013 encouraging the adoption of meal vouchers.

[4] The average exchange rate for the first half was VEF 176.48/€ and corresponds to the average of the SICAD II exchange rate used between January 1 and February 11, 2015 and the new SIMADI exchange rate used for the rest of the period. Since the SICAD II exchange rate no longer exists since February 11, the Group chose to apply the most conservative rate.

[5] Following favorable new regulations introduced in 2014.

France reported 3.8% like-for-like growth in the first half, on the back of solid 4.4% growth for the Ticket Restaurant® meal voucher business, partly driven by increased sales of the Ticket Restaurant® card. More than 110,000 employees benefitted from a Ticket Restaurant® card at end-June, of which around 40% relate to new client wins, making the Group the leader in the shift to digital in France.

In **Italy**, the 3.0% like-for-like rise in private sector issue volume largely offset the expected decline in the public sector. Issue volume continued to grow in **Central European countries** (up 5.7% like-for-like over the first half), thanks to a more favorable economic environment.

During the period, the **United Kingdom** recorded 2.2% growth in issue volume for Childcare Vouchers®.

Lastly, issue volume in the **Rest of the world** was up **16.4%** like-for-like in the first half, driven mainly by strong growth in **Turkey**, the region's primary contributor.

1.2.1.2 ***Issue volume by growth driver***

In the first half, the Group's four growth drivers contributed to the **9.6%** like-for-like growth in issue volume as follows:

- **Increased penetration rates in existing markets** added **4.6%**, reflecting market momentum and a good performance by the sales teams.
- **Increased voucher face values**, mainly in emerging markets, added **2.5%**.
- **Creation and deployment of new solutions** added **2.3%**, including in particular the contributions from the Ticket Plus® Card, launched in Germany in March 2012, and Ticket Cultura®, launched in Brazil in October 2013.
- **Geographic expansion** added **0.2%**, thanks to the contributions from operations in **Finland**, **Japan** and **Colombia**.

1.2.2 Revenue

Total revenue for the first six months of 2015 amounted to **€539 million**, representing a like-for-like increase of **7.8%** over the prior-year period. Total revenue comprises operating revenue with issue volume (up 9.1% like-for-like), operating revenue without issue volume (up 3.8% like-for-like) and financial revenue (stable like-for-like).

On a reported basis, the year-on-year change was a rise of **10.8%**, after taking into account the 4.2% positive impact from changes in the scope of consolidation and the 1.2% negative currency effect.

The year's revenue breaks down as follows:

Like-for-like growth	**First-quarter 2015**	**Second-quarter 2015**	**First-half 2015**
Operating revenue with issue volume	+9.0%	+9.2%	**+9.1%**
Operating revenue without issue volume	+4.0%	+3.7%	**+3.8%**
Financial revenue	+2.7%	-2.7%	**0.0%**
TOTAL REVENUE	**+8.0%**	**+7.7%**	**+7.8%**

1.2.2.1 ***Operating revenue with issue volume***

Operating revenue with issue volume increased by **9.1%** like-for-like to **€428 million**.

The difference between growth in issue volume and growth in operating revenue with issue volume, which results from various mix effects, was 50 bp in the first half, less than the structural 150 bp difference expected in the medium term. The smaller difference in the first half reflects the rise in client fees in several countries, along with the withdrawal from some large but low-margin contracts.

Operating revenue with issue volume by region

The following table presents quarterly changes in operating revenue with issue volume by region.

Like-for-like growth	**First-quarter 2015**	**Second-quarter 2015**	**First-half 2015**
Latin America	+14.8%	+14.5%	**+14.6%**
Europe	+3.2%	+3.3%	**+3.3%**
Rest of the World	+13.2%	+11.8%	**+12.5%**
TOTAL	**+9.0%**	**+9.2%**	**+9.1%**

1.2.2.2 ***Financial revenue***

Financial revenue remained stable like-for-like at **€36 million**, reflecting a robust 13.7% like-for-like increase in **Latin America** and a 13.3% like-for-like contraction in **Europe** reflecting interest rate trends in these regions.

1.2.3 EBIT

EBIT corresponds to total revenue (operating and financial) less operating expenses[6], depreciation, amortization and provisions. It includes:

- **Operating EBIT**, which corresponds to operating profit less financial revenue.
- **Financial EBIT**, which corresponds to financial revenue.

1.2.3.1 ***EBIT growth***

Total EBIT came in at **€165 million** for first-half 2015, up 11.5% on a reported basis and up 14.6% like-for-like. Changes in the scope of consolidation had a positive €1 million impact, while the currency effect was a negative €6 million.

Operating EBIT (which excludes financial revenue) rose by **19.5%** like-for-like to **€129 million**, a good performance that reflected an operating flow-through ratio of 57%, in line with the target of more than 50%.

[6] Operating expenses correspond to the operating expenses and operating provision charges discussed in Note 5 to the consolidated financial statements, page 31.

1.2.3.2 ***First-half 2015 operating EBIT by region***

(in € millions)	First-half 2014	First-half 2015	% change Reported	% change Like-for-like
Latin America	77	87	+14.2%	+21.3%
Europe	45	48	+8.8%	+3.2%
Rest of the World	1	3	n/a	n/a
Worldwide structures	(11)	(9)	-16.2%	-26.7%
TOTAL	**112**	**129**	**+15.8%**	**+19.5%**

Operations in **Latin America** reported an excellent performance, with operating EBIT up **21.3%** like-for-like driven by the region's dynamic growth. In **Europe**, organic operating EBIT growth was **3.2%**.

1.2.4 Net financial expense

Net financial expense amounted to **€21 million** in first-half 2015 compared with €27 million in the year-earlier period.

Finance costs for the period totaled €21 million in first-half 2015, while the effects of hedging instruments and interest income from the investment of available cash and from marketable securities came to €4 million, leading to net finance costs of €17 million.

Currency effects and other financial income and expenses represented a net expense of €4 million.

1.2.5 Operating profit before tax and non-recurring items

Operating profit before tax and non-recurring items totaled **€148 million** in first-half 2015 versus €121 million in the same period of 2014, an increase of **23.0%** on a reported basis.

1.2.6 Income tax expense

Income tax expense stood at €56 million for the period, versus €43 million in first-half 2014, for an effective tax rate for the Group of **34.9%** versus 33.2% in the prior-year period.

1.2.7 Net profit

After deducting €21 million in net financial expense, €56 million in tax expense and €2 million in minority interests, **recurring net profit after tax** came to **€91 million** versus €82 million in the first half of 2014. **Recurring earnings per share** was up 10.7%. **Net profit, Group share** totaled **€82 million** for first-half 2015, up from €70 million in the six months to June 30, 2014.

1.3 Liquidity and financial resources

1.3.1 Cash flows[7]

(in € millions)	First-half 2014	First-half 2015
EBITDA	167	188
Net financial expense	(24)	(21)
Income tax paid	(43)	(52)
Non-cash items	9	10
Dividends received from equity method consolidated companies[8]	**0**	**23**
Funds from operations before non-recurring items (FFO)	**109**	**148**
Change in float	(123)	(182)
Change in restricted cash[9]	(14)	2
Change in working capital (excluding the float)	(21)	(42)
Recurring capex	(19)	(22)
Free cash flow	**(68)**	**(96)**
External acquisitions	(61)	(232)
Dividends paid[10]	(192)	(199)
Capital increase	61	42
(Purchases)/sales of treasury shares	(20)	(3)
Translation adjustment	(103)	(60)
Other	(10)	(25)
(Increase)/decrease in debt	**(393)**	**(573)**

The Edenred business model generates significant cash flow. In the first half of 2015, funds from operations before non-recurring items (**FFO**) totaled **€148 million**, a year-on-year increase of **14.9%** like-for-like that was in line with the Group's target of over 10% growth per year.

A total of **€191 million** in dividends were paid to Edenred SA shareholders in relation to 2014, for a payout ratio of 97% of 2014 recurring profit after tax.

1.3.2 Working capital requirement

The following table sets out the items that make up the working capital requirement, excluding restricted cash.

(in € millions)	June 30, 2014	December 31, 2014	June 30, 2015	Δ June 30, 2015 /June 30, 2014	Δ June 2015 /Dec. 2014
Inventories (net)	13	14	16	3	2
Trade receivables (net)	942	1,035	966	24	(69)
Other receivables (net)	267	272	312	45	40
Working capital assets	**1,222**	**1,321**	**1,294**	**72**	**(27)**
Trade payables	58	67	62	4	(5)
Other payables	161	169	174	13	5
Vouchers in circulation	3,237	3,615	3,341	104	(274)
Working capital liabilities	**3,456**	**3,851**	**3,577**	**121**	**(274)**
Net working capital	**2,234**	**2,530**	**2,283**	**(49)**	**(247)**

Negative working capital requirement at June 30, 2015 was up €49 million compared with June 30, 2014.

7 See the consolidated statement of cash flows on page 20.

8 Of which €11 million in respect of 2014.

9 Restricted cash corresponds to service voucher funds that are required to be invested in risk-free money market instruments convertible at any time into known amounts of cash in accordance with local regulations, mainly in France, Romania and the United Kingdom. Interest on these investments is attributable to Edenred.

10 Including tax on dividends paid to equity holders of the parent and non-controlling shareholders of subsidiaries.

1.3.3 Net debt

After taking into account the €60 million negative currency effect in the first half as well as non-recurring items, the Group had net debt of **€841 million** at June 30, 2015 (versus €669 million at end-June 2014). This includes €232 million related mainly to the acquisition of a 34% interest in UTA and to the additional interest acquired in ProwebCE during the first half of 2015.

(in € millions)	**June 30, 2014**	**December 31, 2014**	**June 30, 2015**
Non-current debt	1,289	1,307	1,466
Other non-current financial liabilities	73	46	43
Current debt	203	2	3
Bank overdrafts	30	26	154
Other current financial liabilities	31	28	42
DEBT AND OTHER FINANCIAL LIABILITIES	**1,626**	**1,409**	**1,708**
Current financial assets	(35)	(51)	(50)
Other marketable securities	(589)	(665)	(482)
Cash and cash equivalents	(333)	(425)	(335)
CASH AND CASH EQUIVALENTS AND OTHER CURRENT FINANCIAL ASSETS	**(957)**	**(1,141)**	**(867)**
NET DEBT	**669**	**268**	**841**

At June 30, 2015, the Group had bonds outstanding for an aggregate amount of €1,485 million, which breaks down as follows:

Issue date	**Amount** *(in € millions)*	**Coupon**	**Maturity**
March 10, 2015	500	1.375%	10 years March 10, 2025
October 31, 2013	250	2.625%	7 years October 30, 2020
May 23, 2012	225	3.750%	10 years May 23, 2022
October 6, 2010	510	3.625%	7 years October 6, 2017

1.3.4 Equity

Equity represented a negative amount of **€1,421 million** at June 30, 2015 and €1,320 million at December 31, 2014. This is due to the recognition at historical cost of the assets contributed or sold to Edenred by Accor through the asset contribution-demerger transaction. It has no impact on the Group’s refinancing capacity, the underlying strength of its financial position or its dividend paying ability.

Further information about changes in consolidated equity is presented in the condensed half-yearly consolidated financial statements for the six months ended June 30, 2015 (page 21).

1.4 Material contracts

During first-half 2015, no contract representing a material obligation or commitment for the Group was signed in connection with the Group's external growth operations.

1.5 Significant events of first-half 2015

1.5.1 Material acquisitions and development projects

On **February 27, 2015**, Edenred has completed the acquisition of a 34% interest in Union Tank Eckstein (UTA), a leading issuer of fuel cards for heavy vehicle fleets in Europe. The transaction represents an investment of €150 million enterprise value. UTA is consolidated by the equity method for the first semester. The transaction is accompanied by an option to purchase an additional 17% interest, exercisable between 2017 and 2019, which will enable Edenred to increase its stake to 51%.

The total difference between the cost of the business combination and the estimated acquisition date fair value of the net assets acquired has been provisionally allocated mainly to trademark and customer list (before deferred tax) for €45 million, the residual difference of €92 million being allocated to the goodwill.

Share result of equity consolidated company is amounting €4 million at end of June 2015.

In **March 2015**, Edenred and the ProwebCE management team joined forces to acquire 100% of the capital of ProwebCE, the French leader in solutions for works councils. As a result of the deal, Edenred holds a 62% stake in the holding company. This transaction of €50 million enterprise will enable Edenred to pursue its growth in France's employee benefits market and expand its offering for beneficiaries. The total difference between the cost of the business combination and the estimated acquisition date fair value of the net assets acquired has been provisionally allocated (before deferred tax) for €14 million, the residual difference of €48 million being allocated to the goodwill.

1.5.2 Other significant events

- **Debt tender offer (€290 million) and new €500 million bond issue**

On **February 24, 2015**, Edenred announced the launch of an offer to repurchase part of its bond issue due in October 2017 for cash. The operation has been followed by a new bond issue in euros.

On **March 3, 2015**, Edenred placed a €500 million 10-years 1.375% bond issue.

This new bond issue has enabled the Group to repurchase €290 million of its 3.625% outstanding bonds due in October 2017, representing 36% of the aggregate nominal value.

As a result, Edenred has refinanced part of its bond issue due in 2017 before the maturity date, and has significantly increased the average life of its debt to six years.

- **Payment of the 2014 dividend**

At the Annual Meeting on April 30, 2015, Edenred shareholders approved the payment of a 2014 dividend of €0.84 per share, with the option of reinvesting 50% of the dividend in new shares.

The reinvestment period, which ran from May 12, 2015 to May 28, 2015, led to the issue of 2,005,302 new shares of Edenred common stock, representing 0.87% of the share capital, which have been settled and traded on the NYSE Euronext Paris stock market on June 8, 2015.

The new shares carry dividend rights from January 1, 2015 and rank pari passu with existing shares of Edenred common stock. Following the issue, the Company's share capital comprises 230,869,823 shares.

The total cash dividend, which amounts to €149 million, has been paid on June 8, 2015. This corresponds to 50% of directly cash paid dividend (amounting to €96 millions) and €53 million paid to shareholders who decided to not reinvest. .

- **Governance**

As announced on **May 18 2015,** Jacques Stern will cease to serve as Edenred's Chairman and Chief Executive Officer on July 31, 2015. The Board of Directors will meet before this date to make a decision about Edenred's governance.

- **Change in the bolivar fuerte exchange rate in June 2015**

  - **Significant events of the period**

In **February 2015**, the Venezuelan government amended exchange rate regulation by setting up a new foreign currency exchange rate system, SIMADI. The new law merged SICAD I and SICAD II system, and created a new system SIMADI. Currency control has now 3 official exchange rates: CADIVI, SICAD and SIMADI. SIMADI substitutes SICAD II and is intended to compete with the black market by establishing a legal trading system based on supply and demand. This system is available to all companies and individuals willing to obtain dollars.

SIMADI first exchange rate was VEF 170 to the dollar and fluctuates on a daily basis. The official exchange rate is unchanged at VEF 6.3 to the dollar, under CADIVI system. Under SICAD exchange rate is at least VEF 12 to the dollar and fluctuates according to auctions, no official details have been communicated by public authorities regarding first auction under merged SICAD and its way of operating.

As of **June 30, 2015** officially adopted rates per exchange rate system were:

- Rate through CADIVI was set up at VEF 6.3 to the dollar
- Rate through SICAD was set up at VEF 12 to the dollar, no public communication has been published
- Through SIMADI, floating exchange rate VEF to the dollar are negotiated on a daily basis.

  - **Edenred's position**

Since SICAD II has no longer legal existence since February 12, 2015, the Group has chosen to apply rates under SIMADI system, which are the most conservative ones.

The financial statements of Edenred's Venezuelan subsidiaries are translated as follows:

- Average exchange rate: average of all exchange rates of Bolivar Fuerte against the US dollar of SICAD II until February 11, 2015 and the average of all exchange rates under SIMADI since the system had been set up (February 12, 2015), translated to EUR, i.e. VEF 176.48 to euro.
- Closing exchange rate: last SIMADI exchange rate of Bolivar Fuerte to the US dollar, published before the end of the month of June, translated to EUR, i.e. VEF 220.76 to euro.

The impact of translating 2014 half-year financial statements of the Venezuelan subsidiaries presented in bolivars at selected exchange rates is as follows:

- Issue volume: €(80) million, i.e. -1.0%;
- Total revenue: €(5) million, i.e. -1.0%;
- EBIT: €(3) million, i.e. -1.8%;
- Net profit: €(2) million, i.e. -2.6%;
- Net debt: €25 million.

SECTION 2 – CONCLUSION AND FULL-YEAR 2015 OUTLOOK

In the second half of 2015, **issue volume** growth is expected to follow the trends observed in the second quarter and remain solid. It will reflect, in Latin America, a less favorable economic environment in Brazil and a tough basis for comparison in Mexico[11], and, in Europe, continued acceleration in growth. The difference between growth in **issue volume** and growth in **operating revenue with issue volume** is expected to be around 100 bp for 2015 as a whole[12]. **Financial revenue** is expected to remain stable over the year, as the decline in Europe is offset by growth in Latin America.

In this context, the Group has set a **full-year EBIT target of between €365 million and €380 million**. This objective takes into account an estimated negative currency effect of €23 million[13].

The Group confirms its strong and sustainable like-for-like growth targets:

- **8% to 14% annual growth in issue volume**
- **An operating flow-through ratio of more than 50%**
- **More than 10% annual organic growth in funds from operations (FFO)**

SECTION 3 – MAIN RISKS AND UNCERTAINTIES

The main risks and uncertainties that may affect the Group in the last six months of the year are presented in the "Risk Factors" section of the 2014 Registration Document filed with French securities regulator AMF on March 18, 2015. As of June 30, 2015, there had been no significant new developments in the Group's main disputes.

SECTION 4 – MAIN RELATED PARTY TRANSACTIONS

There were no material changes in related party transactions during the first six months of 2015.

SECTION 5 – SUBSEQUENT EVENTS

- **Edenred and Daimler sign partnership deal in Brazil**

On July 24, 2015, Edenred joined forces with the Daimler group to launch a co-branded solution on the fuel card market in Brazil (see Note 22 to the condensed half-yearly consolidated financial statements).

[11] Following favorable new regulations introduced in 2014.

[12] The average difference expected in the medium term is 150 bp.

[13] Calculated using closing exchange rates at June 30, 2015 as the average rates over the second half of the year.

Condensed half-yearly consolidated financial statements

Consolidated financial statements

1.1 CONSOLIDATED INCOME STATEMENT

1.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1.3 CONSOLIDATED BALANCE SHEET

- Consolidated assets
- Consolidated liabilities

1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

1.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1.1 CONSOLIDATED INCOME STATEMENT

(in € millions)	Notes	June 2014	June 2015
Issue Volume	3/4	**8 320**	**9 110**
Operating revenue w ith IV	3/4	397	428
Operating revenue w /o IV	3/4	53	75
Financial revenue	3/4	36	36
Total revenue	3/4	**486**	**539**
Operating expenses	5	(319)	(351)
Depreciation, amortization and provisions	6	(19)	(23)
EBIT	3/4	**148**	**165**
Net financial expenses	7	(27)	(21)
Share of associate net profit		-	4
Operating profit before tax and non-recurring items		**121**	**148**
Other income and expenses	8	(7)	(8)
Profit before tax		**114**	**140**
Income tax expenses	9	(43)	(56)
NET PROFIT		**71**	**84**
Net Profit, Group Share		**70**	**82**
Net Profit, Non-controlling interests		1	2
Weighted average number of shares outstanding (in thousands)	10	223 431	226 971
Earnings per share, groupe share (in euros)	10	**0,31**	**0,36**
Diluted earnings per share (in euros)	10	0,31	0,35

1.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	June 2014	June 2015
Net profit	**71**	**84**
Items that may be subsequently reclassified to profit or loss		
Currency translation adjustment	(43)	(35)
Change in fair value of financial instruments	5	(2)
Tax on items that may be subsequently reclassified to profit or loss	(2)	(2)
Items that will not be reclassified to profit or loss		
Actuarial gains and losses on defined benefit plans	0	(0)
Tax on items that will not be reclassified to profit or loss	0	0
Other comprehensive income, net of tax	**(40)**	**(39)**
TOTAL COMPREHENSIVE INCOME	**31**	**45**
Comprehensive income, Group share	**38**	**45**
Comprehensive income, Non-controlling interests	(7)	(0)

1.3 CONSOLIDATED BALANCE SHEET

Consolidated assets

(in € millions)	Notes	June 2014	December 2014	June 2015
Goodwill	11	**598**	**570**	**615**
Intangible assets	12	**154**	**160**	**185**
Property, plant and equipment		**40**	**44**	**38**
Invesments in associates		**-**	**1**	**146**
Non-current financial assets		35	21	26
Deferred tax assets		60	70	66
TOTAL NON-CURRENT ASSETS		**887**	**865**	**1 076**
Trade receivables	20	942	1 035	966
Inventories, other receivables and accruals	20	280	286	328
Restricted cash	20	791	797	809
Current financial assets	14/18	35	51	50
Other marketable securities	15/18	589	665	482
Cash and cash equivalents	15/18	333	425	335
TOTAL CURRENT ASSETS		**2 970**	**3 259**	**2 970**
TOTAL ASSETS		**3 857**	**4 124**	**4 046**

Consolidated equity and liabilities

(in € millions)	Notes	June 2014	December 2014	June 2015
Issued capital		458	458	463
Treasury shares		(67)	(47)	(44)
Consolidated retained earnings		(1 767)	(1 766)	(1 754)
Cumulative compensation costs - share-based payments		50	64	72
Cumulative fair value adjustments of financial instruments		(2)	(4)	(6)
Cumulative actuarial gains (losses) on defined benefit plans		(5)	(7)	(7)
Currency translation reserve		(158)	(205)	(238)
Net profit, Group share		70	164	82
Equity attributable to owners of the parent company		**(1 421)**	**(1 343)**	**(1 432)**
Non-controlling interests		17	23	11
Total Equity		**(1 404)**	**(1 320)**	**(1 421)**
Non-current debt	16/18	1 289	1 307	1 466
Other non-current financial liabilities	16/18	73	46	43
Non-current provisions	19	29	32	35
Deferred tax liabilities		93	96	96
TOTAL NON-CURRENT LIABILITIES		**1 484**	**1 481**	**1 640**
Current debt	16/18	203	2	3
Other current financial liabilities	16/18	31	26	42
Current provisions	19	39	40	34
Vouchers in circulation	20	3 237	3 615	3 341
Trade payables	20	58	67	62
Current tax liabilities	20	18	16	17
Other payables	20	161	169	174
Bank overdrafts	16/18	30	28	154
TOTAL CURRENT LIABILITIES		**3 777**	**3 963**	**3 827**
TOTAL EQUITY AND LIABILITIES		**3 857**	**4 124**	**4 046**

1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

(in € millions)	Notes	June 2014	June 2015
+ EBITDA		167	188
- Net financial expense (1)	7	(24)	(21)
- Income tax paid		(43)	(52)
- Elimination of non-cash revenue and expenses included in EBITDA		8	10
- Elimination of provision movements included in net financial expense and income tax		1	-
+ Dividends received from equity method consolidated companies (2)		-	23
= Funds from operations before non recurring items (FFO)		**109**	**148**
+ Decrease (increase) in working capital	20	(144)	(224)
+ Recurring decrease (increase) in restricted cash	20	(14)	2
= Net cash from operating activities		**(49)**	**(74)**
+ Non-recurring gains (losses) (including restructuring costs) received/paid		(15)	(16)
= Net cash from operating activities including non-recurring transactions (A)		**(64)**	**(90)**
- Recurring expenditure		(19)	(22)
- External acquisition expenditure		(61)	(232)
+ Proceeds from disposals of assets		3	(19)
= Net cash from (used in) investing activities (B)		**(77)**	**(273)**
+ Shares issues by subsidiaries		61	55
- Dividends paid (3)		(192)	(199)
+ (Purchases) sales of treasury shares		(20)	(3)
+ Increase (Decrease) in debt (4)		**234**	**331**
+ Acquisition of non-controlling interests		-	-
= Net cash from (used in) financing activities (C)		**83**	**184**
- Net foreign exchange difference and fair value adjustment (D)		**(32)**	**(37)**
= Net increase (decrease) in cash and cash equivalents (E) = (A) + (B) + (C) + (D)	18	**(90)**	**(216)**
+ Cash and cash equivalents at beginning of period		393	397
- Cash and cash equivalents at end of period		303	181
= NET CHANGE IN CASH AND CASH EQUIVALENTS	18	**(90)**	**(216)**

(1) Including €(18) million of financial interests effectively paid in 2015. No dividends have been received from external companies.

(2) Including € 11 million related to previous year.

(3) Including €(5) millions of tax on dividends in 2015.

(4) Net debt (Note 18), excluding net cash.

Cash and cash equivalents at end of the period are as follows:

(in € millions)	Notes	June 2014	June 2015
+ Cash and cash equivalents	15	333	335
- Bank overdrafts	16	(30)	(154)
= CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**303**	**181**

1.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € millions)	Currency translation reserve (1)	Cumulative actuarial gains (losses) on defined benefit plans	Cumulative fair value adjustments of financial instruments	Cumulative compensation costs - share based payments	Treasury shares	Retained earnings and net profit for the period (2)	External changes in consolidation scope	Equity attributable to owners of the parent company	Total non-controlling interests	Total equity
January, 2014	**(123)**	**(5)**	**(5)**	**43**	**(47)**	**(1 079)**	**(97)**	**(1 313)**	**23**	**(1 290)**
Issue of share capital	-	-	-	-	-	-	-	**-**	-	**-**
- in cash	-	-	-	-	-	-	-	**-**	-	**-**
- dividends reinvested in new shares	-	-	-	-	-	61	-	**61**	-	**61**
Dividends paid	-	-	-	-	-	(185)	-	**(185)**	(3)	**(188)**
Effect of changes in consolidation scope	-	-	-	-	-	-	(9)	**(9)**	4	**(5)**
Compensation costs for the period - share-based payments	-	-	-	7	-	-	-	**7**	-	**7**
(Acquisitions) / disposals of treasury shares	-	-	-	-	(20)	-	-	**(20)**	-	**(20)**
Other comprehensive income	(35)	0	3	-	-	-	-	**(32)**	(8)	**(40)**
Net profit for the period	-	-	-	-	-	70	-	**70**	1	**71**
Total comprehensive income	**(35)**	**0**	**3**	**-**	**-**	**70**	**-**	**38**	**(7)**	**31**
June 30, 2014	**(158)**	**(5)**	**(2)**	**50**	**(67)**	**(1 133)**	**(106)**	**(1 421)**	**17**	**(1 404)**
Issue of share capital										
- in cash	-	-	-	-	-	-	-	**-**	-	**-**
- cancelation of treasury shares	-	-	-	-	-	(37)	-	**(37)**	-	**(37)**
- options exercised	-	-	-	-	-	22	-	**22**	-	**22**
- dividends reinvested in new shares	-	-	-	-	-	-	-	**-**	-	**-**
Dividends paid	-	-	-	-	-	-	-	**-**	(1)	**(1)**
Effect of changes in consolidation scope	-	-	-	-	-	-	28	**28**	3	**31**
Compensation costs for the period - share-based payments	-	-	-	14	-	(7)	-	**7**	-	**7**
(Acquisitions) / disposals of treasury shares	-	-	-	-	20	(5)	-	**15**	-	**15**
Other comprehensive income	(47)	(2)	(2)	-	-	-	-	**(51)**	1	**(50)**
Net profit for the period	-	-	-	-	-	94	-	**94**	3	**97**
Total comprehensive income	**(47)**	**(2)**	**(2)**	**-**	**-**	**94**	**-**	**43**	**4**	**47**
December 31, 2014	**(205)**	**(7)**	**(4)**	**64**	**(47)**	**(1 066)**	**(78)**	**(1 343)**	**23**	**(1 320)**
Increase (decrease) in share capital										
- in cash	-	-	-	-	-	-	-	**-**	-	**-**
- cancelation of treasury shares	-	-	-	-	-	-	-	**-**	-	**-**
- options exercised	-	-	-	-	-	13	-	**13**	-	**13**
- dividends reinvested in new shares	-	-	-	-	-	42	-	**42**	-	**42**
Dividends paid ('3)	-	-	-	-	-	(191)	-	**(191)**	(3)	**(194)**
Effect of changes in consolidation scope	-	-	-	-	-	-	(2)	**(2)**	(9)	**(11)**
Compensation costs for the period - share-based payments	-	-	-	8	-	(1)	-	**7**	-	**7**
(Acquisitions) / disposals of treasury shares (4)	-	-	-	-	3	(6)	-	**(3)**	-	**(3)**
Other comprehensive income	(33)	(0)	(2)	-	-	(2)	-	**(37)**	(2)	**(39)**
Net profit for the period	-	-	-	-	-	82	-	**82**	2	**84**
Total comprehensive income	**(33)**	**(0)**	**(2)**	**-**	**-**	**80**	**-**	**45**	**-**	**45**
June 30, 2015	**(238)**	**(7)**	**(6)**	**72**	**(44)**	**(1 129)**	**(80)**	**(1 432)**	**11**	**(1 421)**

(1) The €(33) million unfavorable net exchange difference on foreign operations between December 31, 2014 and June 30, 2015 was mainly due to the depreciation of the Brazilian real €(26) million against the euro.

(2) This amount includes the impact of acquiring Edenred entities owned by Accor that was deducted from equity for € (1,894) million following the demerger in June 2010.

(3) Shareholders at the Annual Meeting on April 30, 2015, approved a dividend in respect of 2014 year amounting to €0.84 per share with the option of reinvesting 50% of this dividend in new shares. The dividends were paid in cash for €149 million euros and distributed in new shares for €42 million euros for 2015 half-year.

(4) The movement in treasury shares reflects €1 million in the buyback of own shares, €2 million in liquidity contract transaction compensated by the delivery of performance shares for €(6) millions.

Closing euro exchange rates used to translate foreign operations in the consolidated financial statements were as follows:

	GBP	BRL	MXN	ARS	SEK	VEF	USD
June 30, 2014	0,80	3,00	17,71	11,11	9,18	68,26	1,37
December 31, 2014	0,78	3,22	17,87	10,28	9,39	60,69	1,21
June 30, 2015	**0,71**	**3,47**	**17,53**	**10,17**	**9,22**	**220,76**	**1,12**

Notes to the consolidated financial statements

Note 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

A. Approval of the financial statements

The group Edenred condensed consolidated financial statements for the six months ended June 30, 2015 were authorized for issue at the Board of Directors' meeting of July 23, 2015.

B. Accounting standards

B. 1. General framework

The consolidated financial statements for the period ended June 30, 2015 were prepared in accordance with IAS 34 – Interim Financial Reporting. These condensed financial statements do not include all the information that need to be provided for year-end financial statements prepared in accordance with International Financial Reporting Standards (IFRS). They should be read jointly with the consolidated financial statements for the year ended December 31, 2014.

The accounting policies retained for the preparation of the Group interim condensed consolidated financial statements are compliant with the IFRS as endorsed by the European Union as of June 30, 2015 and available on:

www.ec.europa.eu/internal_market/accounting/ias/index_en.htm

The accounting policies used by the Group in the interim consolidated financial statements are consistent with those applied in the consolidated financial statements at December 31, 2014 with the exception of:

- the standards, amendments and interpretations effective for reporting periods beginning on or after January 1, 2015, and
- the specific items related to the preparation of the interim consolidated financial statements.

B. 2. Standards, amendments and interpretations applicable from January 1, 2015

New standards, amendments and interpretations came into effect and were adopted for use in the European Union as of January 1, 2015:

- Interpretation of IFRIC 21 « Levies » ;
- Annual improvements to IFRSs 2011-2013 issued , amending the following pronouncements:
- Amending IFRS 1 «First time adoption of IFRS »;
- Amending IFRS 3 « Business Combinations » ;
- Amending IFRS 13 «Fair value measurement » ;
- Amending IAS 40 «Investment property ».

The application of these regulations does not have a material impact on the presented periods.

B. 3. Standards, amendments and interpretations adopted by the European Union that are not yet mandatory

Edenred chose not to early-adopte the standards, amendments and interpretations that had been adopted by the European Union as of June 30, 2015 and are applicable for annual periods beginning after January 1, 2015.

C. Specific items related to preparation of the interim consolidated financial statements

C. 1. Income taxes

In the interim consolidated financial statements, current and deferred income tax expense is computed by applying for each entity or tax group the estimated annual average tax rate for the current year to the income before tax of the period.

C. 2. Post-employment and other long-term employee benefits

Post-employment and other long-term employee benefits expense for half-year corresponds to half of the estimated net expense for the full year, as determined based on prior year data and actuarial assumptions. These valuations are adjusted to take into account any significant changes in market conditions compared to the previous period, or any curtailments, settlements or other material non-recurring events.

D. Use of estimates and judgment

The preparation of the financial statements implies that Edenred's management uses estimates given that some items included in the financial statements cannot be measured with precision. The underlying assumptions used for the main estimates are similar to those described as of December 31, 2014. The management revises these estimates if the underlying circumstances evolve or in light of new information or experience. With the exception of the specific items relating to the preparation of the interim condensed consolidated financial statements, estimates made at June 30, 2015 are similar to those made as of December 31, 2014.

Group management also uses its judgment to define appropriate accounting policies to apply to certain transactions when the current IFRS standards and interpretations do not specifically deal with related accounting issues.

Particularly, given the economic environment in Venezuela, the Group made the judgment-based decision to apply for 2015 half year consolidated accounts the available exchange rate most representative of the economic situation (Note 2.C.5).

Note 2. CHANGES IN CONSOLIDATION SCOPE AND SIGNIFICANT EVENTS

A. 2015 changes in consolidation scope

A. 1. Main acquisitions and developments

On February 27, 2015, Edenred has completed the acquisition of a 34% interest in Union Tank Eckstein (UTA), a leading issuer of fuel cards for heavy vehicle fleets in Europe. The transaction represents an investment of €150 million enterprise value. UTA is consolidated by the equity method for the first semester. The transaction is accompanied by an option to purchase an additional 17% interest, exercisable between 2017 and 2019, which will enable Edenred to increase its stake to 51%.
The total difference between the cost of the business combination and the estimated acquisition date fair value of the net assets acquired has been provisionally allocated mainly to trademark and customer list (before deferred tax) for €45 million, the residual difference of €92 million being allocated to the goodwill.
Share result of equity consolidated company is amounting €4 million at end of June 2015.

In March 2015, Edenred and the ProwebCE management team joined forces to acquire 100% of the capital of ProwebCE, the French leader in solutions for works councils. As a result of the deal, Edenred holds a 62% stake in the holding company. This transaction of €50 million enterprise will enable Edenred to pursue its growth in France's employee benefits market and expand its offering for beneficiaries. The total difference between the cost of the business combination and the estimated acquisition date fair value of the net assets acquired has been provisionally allocated (before deferred tax) for €14 million, the residual difference of €48 million being allocated to the goodwill.

B. 2014 changes in consolidation scope

B. 1. Main acquisitions and developments

In January 2014, Edenred acquired for €25 million euros **Nets Prepaid**, the leader of benefit market in Finland. Nets Prepaid offers meal benefits and recreational benefits for more than 10,000 clients and 120,000 beneficiaries. Issue volume amounted to more than €200 million in 2012.

In May 2014, Edenred announced that it had acquired a 50% interest in **C3 CARD**, a payroll card company in the United Arab Emirates. As a key player in the payroll card market in the United Arab Emirates, C3 CARD manages solutions for more than 2,000 clients (businesses and financial institutions). C3 CARD's payroll cards offer a simple, secure solution for paying employees who do not have a bank account, while allowing client businesses to comply with the local Wage Protection System, which requires wages traceability. Founded in 2007, C3 CARD has enjoyed very fast growth, recording business volume of more than €1 billion and revenue of nearly €5 million in 2013.

In July 2014, Edenred is teaming up with American Express to offer a unique joint fuel card solution for Mexico. American Express will now offer its clients a solution combining the specific features of the Ticket Car® fuel card and American Express financing and credit facilities.

In October 2014, Edenred has acquired a 70% stake in Cardtrend, a provider of fuel card management software solutions. Cardtrend operates white-label fuel card programs on behalf of key oil & gas industry players that are based in Southeast Asia. Cardtrend provides its customers with customized software solutions allowing them to manage the fuel cards that they issue and distribute, as well as their loyalty programs.

In October 2014, Edenred has also acquired 50% of Daripodarki, the leading player in Russia's mono-brand gift card resale market. Leveraging its unique offering of mono-brand gift cards for over 150 major brands, Daripodarki enables over 1,300 companies to reward their partners and employees on special occasions or during incentive campaigns. Some 450,000 Russian employees benefit from Daripodarki's gift card solutions.

C. Significant events

C. 1. Debt tender offer (€290 million) and €500 million new bond issue

On February 24, 2015, Edenred announced the launch of an offer to repurchase part of its bond issue due in October 2017 for cash. The operation has been followed by a new bond issue in euros.

On March 3, 2015, Edenred placed a €500 million 10-years 1.375% bond issue.

This new bond issue has enabled the Group to repurchase €290 million of its 3.625% outstanding bonds due in October 2017, representing 36% of the aggregate nominal value.

As a result, Edenred has refinanced part of its bond issue due in 2017 before the maturity date, and has significantly increased the average life of its debt to six years.

C. 2. Payment of the 2014 dividend

At the Annual Meeting on April 30, 2015, Edenred shareholders approved the payment of a 2014 dividend of €0.84 per share, with the option of reinvesting 50% of the dividend in new shares.

The reinvestment period, which ran from May 12, 2015 to May 28, 2015, led to the issue of 2,005,302 new shares of Edenred common stock, representing 0.87% of the share capital, which have been settled and traded on the NYSE Euronext Paris stock market on June 8, 2015.

The new shares carry dividend rights from January 1, 2015 and rank pari passu with existing shares of Edenred common stock. Following the issue, the Company's share capital comprises 230,869,823 shares.

The total cash dividend, which amounts to €149 million, has been paid on June 8, 2015. This corresponds to 50% of directly cash paid dividend (amounting to €96 millions) and €53 million paid to shareholders who decided to not reinvest.

C. 3. Change in governance

On May 18, 2015 Jacques Stern, Edenred's Chairman and Chief Executive Officer since July 2010, has informed the Board of Directors of his decision to leave the Group on July 31 in order to start another chapter of his career.

C. 4. Change of the Bolivar Fuerte exchange rate in 2014

Significant events of the year

In **January 2014,** the Venezuelan government stated that the official exchange rate was unchanged at VEF 6.3 to the dollar, under CADIVI system, and that the SICAD auctions would be stepped up. Companies allocated dollars in the SICAD auctions will be authorized to use these funds to settle transactions and to pay license and management fees. The exchange rate for the Central Bank's most recent auction was announced as being VEF 11.36 to the dollar.

On **March 24, 2014,** the Venezuelan government introduced a new flexible exchange rate system, called SICAD II. The Venezuelan Central Bank is publishing since this date, the SICAD II exchange rates on a daily basis. This system is available for both individuals and companies wishing to obtain US dollars. The first published exchange rate was of 51.86 Bolivar Fuerte for 1 US dollar. The latest published exchange rates fluctuated around VEF 49.9 for 1 US dollar. The total daily granted amount is estimated around 40 to 45 million US dollars. Edenred managed to obtain almost 1 million of US dollars at an average exchange rate of 50.41 Bolivar Fuerte for 1 US dollar.

Edenred's position

The financial statements of Edenred's Venezuelan subsidiaries are translated as follows:

- Average exchange rate: average of all exchange rates of Bolivar Fuerte against the US dollar published since the implementation by the Venezuelan government of SICAD II system, retroactive from January 1, 2014, translated to EUR, i.e. VEF 66.35 to euro.
- Closing exchange rate: last SICAD II exchange rate of Bolivar Fuerte to the US dollar, published before the end of the month of December, translated to EUR, i.e. VEF 60.69 to euro.

The impact of translating 2013 financial statements of the Venezuelan subsidiaries presented in bolivars at selected exchange rates for conversion of 2014 financial statement is as follows:

- Issue volume: €(753) million, i.e. -4.4%;
- Total revenue: €(43) million, i.e. -4.2%;
- EBIT: €(25) million, i.e. -7.4%;
- Net profit: €(18) million, i.e. -11.2%;
- Net debt: €+133 million

C. 5. Change of the Bolivar Fuerte exchange rate as of June 30, 2015

Significant events of the year

In February 2015, the Venezuelan government amended exchange rate regulation by setting up a new foreign currency exchange rate system, SIMADI. The new law merged SICAD I and SICAD II system, and created a new system SIMADI. Currency control has now 3 official exchange rates: CADIVI, SICAD and SIMADI. SIMADI substitutes SICAD II and is intended to compete with the black market by establishing a legal trading system based on supply and demand. This system is available to all companies and individuals willing to obtain dollars.

SIMADI first exchange rate was VEF 170 to the dollar and fluctuates on a daily basis. The official exchange rate is unchanged at VEF 6.3 to the dollar, under CADIVI system. Under SICAD exchange rate is at least VEF 12 to the dollar and fluctuates according to auctions, no official details have been communicated by public authorities regarding first auction under merged SICAD and its way of operating.

As of **June 30, 2015** officially adopted rates per exchange rate system were:

- Rate through CADIVI was set up at VEF 6.3 to the dollar
- Rate through SICAD was set up at VEF 12 to the dollar, no public communication has been published
- Through SIMADI, floating exchange rate VEF to the dollar are negotiated on a daily basis.

Edenred's position

Since SICAD II has no longer legal existence since February 12, 2015, the Group has chosen to apply rates under SIMADI system, which are the most conservative ones.

The financial statements of Edenred's Venezuelan subsidiaries are translated as follows:

- Average exchange rate: average of all exchange rates of Bolivar Fuerte against the US dollar of SICAD II until February 11, 2015 and the average of all exchange rates under SIMADI since the system had been set up (February 12, 2015), translated to EUR, i.e. VEF 176.48 to euro.
- Closing exchange rate: last SIMADI exchange rate of Bolivar Fuerte to the US dollar, published before the end of the month of June, translated to EUR, i.e. VEF 220.76 to euro.

The impact of translating 2014 half-year financial statements of the Venezuelan subsidiaries presented in bolivars at selected exchange rates is as follows:

- Issue volume: €(80) million, i.e. -1.0%;
- Total revenue: €(5) million, i.e. -1.0%;
- EBIT: €(3) million, i.e. -1.8%;
- Net profit: €(2) million, i.e. -2.6%;
- Net debt: €25 million.

Note 3. SEGMENT INFORMATION

A. Income Statement

A. 1. 2015 half-year

(in € millions)	France	Rest of Europe	Latin America	Rest of the world	Worldwide Structures	Elimi-nations	June 2015
ISSUE VOLUME	**1 431**	**2 741**	**4 558**	**380**	**-**	**-**	**9 110**
Operating revenue generated by issue volume	61	139	209	19	-	-	**428**
Other operating revenue	26	19	13	17	-	-	**75**
Financial Revenue	7	9	18	2	-	-	**36**
Total external Revenue	**94**	**167**	**240**	**38**	**-**	**-**	**539**
Inter-segment revenue	-	2	-	-	-	(2)	**-**
TOTAL REVENUE FROM OPERATING SEGMENTS	**94**	**169**	**240**	**38**	**-**	**(2)**	**539**
EBIT FROM OPERATING SEGMENTS	**18**	**46**	**105**	**5**	**(9)**	**-**	**165**

A. 2. 2014 half-year

(in € millions)	France	Rest of Europe	Latin America	Rest of the world	Worldwide Structure	Elimi-nations	June 2014
ISSUE VOLUME	**1 375**	**2 620**	**4 024**	**301**	**-**	**-**	**8 320**
Operating revenue generated by issue volume	58	133	191	15	-	-	**397**
Other operating revenue	11	20	12	10	-	-	**53**
Financial Revenue	9	9	16	2	-	-	**36**
Total external Revenue	**78**	**162**	**219**	**27**	**-**	**-**	**486**
Inter-segment revenue	-	2	-	-	-	(2)	**-**
TOTAL REVENUE FROM OPERATING SEGMENTS	**78**	**164**	**219**	**27**	**-**	**(2)**	**486**
EBIT FROM OPERATING SEGMENTS	**17**	**46**	**93**	**3**	**(11)**	**-**	**148**

B. Change in issue volume

(in € millions)	France	Rest of Europe	Latin America	Rest of the world	Worldwide Structures	TOTAL
2015 Issue volume	1 431	2 741	4 558	380	-	**9 110**
2014 Issue volume	1 375	2 620	4 024	301	-	**8 320**
Reported change in %	+4,1%	+4,6%	+13,3%	+26,6%	+0,0%	**+9,5%**
LIKE-FOR-LIKE CHANGE	**+52**	**+86**	**+614**	**+49**	**-**	**+801**
LIKE-FOR-LIKE CHANGE in %	**+3,8%**	**+3,3%**	**+15,2%**	**+16,4%**	**+0,0%**	**+9,6%**

C. Change in revenue

C. 1. Total revenue

(in € millions)	France	Rest of Europe	Latin America	Rest of the world	Worldwide Structures	TOTAL
2015 Total external revenue	94	167	240	38	-	**539**
2014 Total external revenue	78	162	219	27	-	**486**
Reported change in %	+21,5%	+2,7%	+9,2%	+41,6%	0%	**+10,8%**
LIKE-FOR-LIKE CHANGE	**+1**	**+2**	**+32**	**+3**	**-**	**+38**
LIKE-FOR-LIKE CHANGE in %	**+0,5%**	**+1,2%**	**+14,9%**	**+11,8%**	**0%**	**+7,8%**

C. 2. Operating revenue with issue volume

(in € millions)	France	Rest of Europe	Latin America	Rest of the world	Worldwide Structures	TOTAL
2015 Operating revenue w ith IV	61	139	209	19	-	**428**
2014 Operating revenue w ith IV	58	133	191	15	-	**397**
Reported change in %	+5,2%	+4,3%	+9,1%	+22,9%	0%	**+7,5%**
LIKE-FOR-LIKE CHANGE	**+2**	**+5**	**+28**	**+2**	**-**	**+37**
LIKE-FOR-LIKE CHANGE in %	**+2,8%**	**+3,5%**	**+14,6%**	**+12,5%**	**0%**	**+9,1%**

C. 3. Financial revenue

(in € millions)	France	Rest of Europe	Latin America	Rest of the world	Worldwide Structures	TOTAL
2015 Financial revenue	7	9	18	2	-	**36**
2014 Financial revenue	9	9	16	2	-	**36**
Reported change in %	(19,7)%	(5,7)%	+8,0%	+33,7%	0%	**(1,5)%**
LIKE-FOR-LIKE CHANGE	**(2)**	**(0)**	**+2**	**+0**	**-**	**+0**
LIKE-FOR-LIKE CHANGE in %	**(19,7)%**	**(7,6)%**	**+13,7%**	**+22,6%**	**0%**	**+0,0%**

D. Change in EBIT

(in € millions)	France	Rest of Europe	Latin America	Rest of the world	Worldwide Structures	TOTAL
2015 EBIT	18	46	105	5	(9)	**165**
2014 EBIT	17	46	93	3	(11)	**148**
Reported change in %	+8,3%	+0,3%	+13,1%	+49,1%	(16,2)%	**+11,5%**
LIKE-FOR-LIKE CHANGE	**(2)**	**+1**	**+18**	**+1**	**+3**	**+22**
LIKE-FOR-LIKE CHANGE in %	**(11,0)%**	**+1,6%**	**+20,0%**	**+42,4%**	**(26,7)%**	**+14,6%**

Note 4. CHANGE IN ISSUE VOLUME, REVENUE AND EBIT

Changes in issue volume, revenue and EBIT between 2014 and 2015 are as follows:

			Δ June 2015 / June 2014							
	June 2014	June 2015	Organic growth		Changes in consolidation scope		Currency effect		Total change	
(in € millions)			In €M	in %	In €M	in %	In €M	in %	**In €M**	**in %**
Issue volume	**8 320**	**9 110**	**+801**	**+9,6%**	**+67**	**+0,8%**	**(78)**	**(0,9)%**	**+790**	**+9,5%**
Operating revenue generated by issue volume	397	428	+37	+9,1%	+1	+0,2%	(7)	(1,8)%	+31	+7,5%
Other operating revenue	53	75	+1	+3,8%	+19	+37,2%	+2	+4,0%	+22	+45,0%
Financial revenue - Unrestricted float	29	31	+2	+6,0%	(2)	(4,7)%	(1)	(3,0)%	(0)	(1,7)%
Financial revenue - Restricted cash	7	5	(2)	(35,5)%	+2	35,5%	-	+0,0%	+0	+0,2%
Financial Revenue	**36**	**36**	**+0**	**+0,0%**	**+1**	**+1,0%**	**(1)**	**(2,5)%**	**(0)**	**(1,5)%**
TOTAL REVENUE	**486**	**539**	**+38**	**+7,8%**	**+21**	**+4,2%**	**(6)**	**(1,2)%**	**+53**	**+10,8%**
EBIT	**148**	**165**	**+22**	**+14,6%**	**+1**	**+1,1%**	**(6)**	**(4,2)%**	**+17**	**+11,5%**

Note 5. OPERATING EXPENSES

(in € millions)	June 2014	June 2015
Employee benefit expense	(148)	(169)
Other operating expenses (1)	(171)	(182)
TOTAL OPERATNG EXPENSES	**(319)**	**(351)**

(1) Other operating expenses consist mainly of production, supply chain, information systems, marketing, advertising and promotional costs as well as various fee payments. They also include rental expenses for € (11) million in June 2015.

Note 6. DEPRECIATION, AMORTIZATION AND PROVISIONS

Depreciation, amortization and provisions are as follows:

(in € millions)	June 2014	June 2015
Amortization	(19)	(23)
Provisions and depreciation	-	-
TOTAL	**(19)**	**(23)**

Note 7. NET FINANCIAL EXPENSES

(in € millions)	June 2014	June 2015
Gross borrow ing cost	(24)	(21)
Hedging instruments	3	4
Interests income from short term bank deposits and equivalent	(0)	(0)
Net borrowing cost	(21)	(17)
Net foreign exchange gains / (losses)	1	1
Other financial income and expenses, net	(7)	(5)
NET FINANCIAL EXPENSE	**(27)**	**(21)**

Note 8. NON-RECURRING INCOME AND EXPENSES

Non-recurring income and expenses are as follows:

(in € millions)	June 2014	June 2015
Movements on restructuring provisions	7	3
Restructuring costs	(9)	(5)
Restructuring expenses	**(2)**	**(2)**
Impairment of goodw ill	(1)	-
Impairment of intangible assets	-	-
Total impairment losses	**(1)**	**-**
Other capital gains or losses	(1)	2
Provision movements	2	(1)
Non-recurring gains and losses, net	(5)	(7)
Other non-recurring income and expenses, net	**(4)**	**(6)**
TOTAL OTHER INCOME AND EXPENSES	**(7)**	**(8)**

Note 9. INCOME TAX – EFFECTIVE TAXE RATE

The effective tax rate on profit for 2015 half-year is 34.9%. This rate does not take into account the tax charge or tax income from non-recurring income and expenses, the tax on dividends and other unusual items. The reported effective tax rate on profit for 2014 half-year was 33.2%.

Note 10. EARNINGS PER SHARE

A. Net earnings per share

On June 30, 2015, the Company's share capital was made up of 230,816,848 ordinary shares.

On June 30, 2015, the average number of ordinary shares outstanding is as follows:

in shares	June 2014	June 2015
EDENRED'S SHARE CAPITAL AT CLOSING	**228 811 546**	**231 816 848**
Outstanding shares at beginning of period	**223 841 132**	**226 623 633**
Number of shares issued for dividend paid	2 914 150	2 005 302
Issued shares at period-end	**2 914 150**	**2 005 302**
Treasury shares not related to the liquidity contract (1)	(613 585)	222 554
Treasury shares under the liquidity contract	(38 243)	(92 000)
Treasury shares	**(651 828)**	**130 554**
OUTSTANDING SHARES AT PERIOD-END	**226 103 454**	**228 759 489**
Adjustment to calculate w eighted average number of issued shares	(2 688 746)	(1 761 564)
Adjustment to calculate w eighted average number of treasury shares	15 751	(26 483)
Total weighted average adjustment	**(2 672 995)**	**(1 788 047)**
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING DURING THE PERIOD	**223 430 459**	**226 971 442**

(1) During the period, a total of 36,162 own shares were bought back at an average price of €22.40 per share.

In addition, stock options representing 2,273,676 ordinary shares and 3,996,993 performance shares were granted to employees between 2010 and 2015. Conversion of all of these potential shares would increase the number of shares outstanding to 235,913,761.

Diluted earnings per share are based on the average number of outstanding shares that is adjusted with the effect of the potential ordinary shares.

Based on the above number of potential shares and the average Edenred share price calculated:

- from January 2, 2015 to June 28, 2015 for Plans 1, 2, 3, 4 and 5 (€23.80), and
- from January 20 , 2015 to June 30, 2015 for Plan 6 (€23.57),

The diluted weighted average number of shares outstanding in June 30, 2015 was 231,188,239.

Operating profit after tax	June 2014	June 2015
Net Profit - Group share *(in € millions)*	**70**	**82**
Weighted average number of issued shares (in thousands)	226 123	229 055
Weighted average number of shares held in treasury (in thousands)	(2 692)	(2 084)
Number of shares used to calculate basic earnings per share *(in thousands)*	**223 431**	**226 971**
BASIC EARNINGS PER SHARE *(in €)*	**0,31**	**0,36**
Number of shares resulting from the exercise of stock options *(in thousands)*	1 704	1 579
Number of shares resulting from performance shares grants *(in thousands)*	2 041	2 883
Number of shares used to calculate diluted earnings per share *(in thousands)*	**227 176**	**231 433**
Diluted earnings per share *(in €)*	**0,31**	**0,35**

B. Recurring profit after tax

Recurring profit after tax corresponds to:

- Operating profit before tax and non-recurring items, and
- Income tax for the period adjusted for non-recurring income and expenses, it is stated net of minority interests.

The recurring profit after tax and the recurring profit after tax per share are as follows:

	June 2014	June 2015
Net profit (in € millions)	**71**	**84**
Other income and expenses adjustement, net *(in € millions)*	12	9
Net Profit, Non-controlling interests adjustment *(in € millions)*	(1)	(2)
Recurring profit after tax, Group share *(in € millions)*	**82**	**91**
Number of shares used to calculate basic earnings per share *(in thousands)*	**223 431**	**226 971**
RECURRING PROFIT AFTER TAX. GROUPE SHARE PER SHARE *(in €)*	**0,36**	**0,40**

Note 11. GOODWILL

(in € millions)	June 2014	December 2014	June 2015
Goodwill	748	724	772
Less accumulated impairment losses	(150)	(154)	(157)
GOODWILL, NET	**598**	**570**	**615**

(in € millions)	June 2014	December 2014	June 2015
Brazil	194	177	165
France	91	91	139
United Kingdom	62	50	54
Italy	46	46	46
Mexico	59	53	54
Romania	37	32	32
Finland	20	19	19
Sweden	19	19	19
Japan	18	17	18
USA	12	13	14
Czech Republic	12	12	12
Dubai	-	8	9
Colombia	9	7	7
Portugal	6	6	6
Other (individually representing less than €5 million)	13	20	21
GOODWILL, NET	**598**	**570**	**615**

Changes in the carrying amount of goodwill during the periods presented were as follows:

(in € millions)	June 2014	December 2014	June 2015
NET GOODWILL AT BEGINNING OF PERIOD	**574**	**574**	**570**
Goodwill recognized on acquisitions for the period and other increases	31	39	48
. France (ProwebCE acquisition)	-	-	48
. Finland (Nets Prepaid 's customer list acquisition)	20	19	-
. Mexico (Punto Clave acquisition)	10	8	-
. Dubai (C3 Card acquisition)	-	8	-
. Malaisie (Cardtrend acquisition)	-	3	-
. Other acquisitions	1	1	-
Goodwill written off on disposals for the period	-	-	-
Impairment losses	-	-	-
Currency translation adjustement	(5)	(40)	(3)
Put options on non-controlling interests recognized / remeasured during the period and other	(2)	(2)	0
Reclassification and other movements	-	(1)	-
NET GOODWILL AT END OF PERIOD	**598**	**570**	**615**

Note 12. INTANGIBLE ASSETS

(in € millions)	June 2014	December 2014	June 2015
GROSS VALUE			
Kadéos brand (1)	19	19	19
Other brands	20	21	26
Contractual customer relationships (2)	103	111	124
Licenses and software	139	156	180
Other	59	56	63
TOTAL GROSS VALUE	**340**	**363**	**412**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES			
Brands	(6)	(10)	(10)
Contractual customer relationships	(53)	(58)	(63)
Licenses and software	(86)	(93)	(109)
Other	(41)	(42)	(45)
TOTAL ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES	**(186)**	**(203)**	**(227)**
INTANGIBLE ASSETS, CARRYING VALUE	**154**	**160**	**185**

(1) The Kadéos brand was recognized following the acquisition of this company in March 2007.

(2) Of which €19 million corresponding to Kadéos customer lists, totally depreciated at the end of 2010.

Changes in the carrying amount of intangible assets over the period were as follows:

(in € millions)	June 2014	December 2014	June 2015
CARRYING VALUE OF INTANGIBLE ASSETS AT BEGINNING OF PERIOD	**132**	**132**	**160**
Intangible assets of new ly consolidated companies	4	12	26
Internally-generated assets	14	34	15
Additions	14	13	-
Amortization for the period	(13)	(25)	(16)
Impairment losses for the period	-	(7)	-
Disposals	-	(0)	-
Currency translation adjustement	3	(0)	(1)
Reclassifications	0	1	1
CARRYING VALUE OF INTANGIBLE ASSETS AT END OF PERIOD	**154**	**160**	**185**

Note 13. POTENTIAL ORDINARY SHARES

A. Performance share plans

A. 1. Main characteristics

Edenred's Board of Directors on February 20, 2015 proceeded to the conditional granting of 800,000 performance shares.

Granted performance shares (within a five-year duration plan) to French tax residents are subject to a three-year vesting period followed by a two-year lock-up period. Granted shares to tax residents of other countries are subject to a five-year vesting period without any lock-up period. During the two-year lock-up period, shares cannot be disposed.

The 800,000 shares originally granted under the plan will vest on February 21, 2018 (for French tax residents) and February 21, 2020 (for tax residents of other countries) provided that the performance objectives specified in the plan between January 1, 2015 and December 31, 2017 are met.

Depending on the actual percentage of fulfillment of each of the plan's three performance conditions, this proportion will be reduced or increased, by up to 1.25 times the initial grant for the objective concerned may not exceed 100% of the initial grant.

Performance shares vest after a three-year period, prorata temporis at the end of the vesting period.

Fulfillment of the performance conditions will be assessed over the period from January 1, 2015 to December 31, 2017, based on the degree to which the following targets have been met:

(i) Two internal performance targets, which will determine 80% of the total grant. They concern like-for-like growth in:

- Issue volume.
- Funds from operations before non-recurring items (FFO).

(ii) A market performance target, which will determine 20% of the total grant. It concerns:

- Edenred's total shareholder return (TSR) compared with the average TSR of the companies included in the SBF 120 index.

A. 2. Fair value of the performance shares plan

The fair value of performance shares corresponds to the share price on the day of the granting, net of the expected dividends payment during the vesting period. For French tax residents the two-year lock-up period lead to a valuation of an illiquidity risk based on a loan to employee interest rate. The latest is equal to the interest rate applied by a credit institution to a private client with average financial capacities. For 2015 plan the discounting rate amounts to 10.9%. Based on those assumptions the average fair value amounts to 16.08€ for French tax residents and 15.91€ for tax residents of other countries; compared to a share price for 23.79€ on the day of the granting.

The fair value of performance shares part of the plan is recognized on a straight-line basis over the vesting period in employee benefit expense, with a corresponding adjustment to equity. The total cost recognized in respect of the plan amounted to €1.8 million for 2015 half-year.

Note 14. CURRENT FINANCIAL ASSETS

	June 2014			December 2014			June 2015		
In € millions	Gross value	Depre-ciation	Net value	Gross value	Depre-ciation	Net value	Gross value	Depre-ciation	Net value
Other current financial assets	4	(1)	3	5	(1)	4	3	-	3
Receivables on disposal of assets	-	-	-	-	-	-	-	-	-
Derivatives	32	-	32	47	-	47	47	-	47
CURRENT FINANCIAL ASSETS	**36**	**(1)**	**35**	**52**	**(1)**	**51**	**50**	**-**	**50**

Note 15. CASH AND CASH EQUIVALENTS AND OTHER MARKETABLE SECURITIES

	June 2014			December 2014			June 2015		
In € millions	Gross value	Depre-ciation	Net value	Gross value	Depre-ciation	Net value	Gross value	Depre-ciation	Net value
Cash at bank and on hand	124	-	124	129	-	129	186	-	186
Term deposits in less than 3 months	199	-	199	288	-	288	141	-	141
Bonds and other negociable debt securities	-	-	-	-	-	-	-	-	-
Interest-bearing bank accounts	-	-	-	-	-	-	-	-	-
Mutual fund units in cash in less than 3 months	10	-	10	8	-	8	8	-	8
CASH AND CASH EQUIVALENTS	**333**	**-**	**333**	**425**	**-**	**425**	**335**	**-**	**335**
Term deposits in more than 3 months	592	(3)	589	664	(3)	661	484	(3)	481
Bonds and other negociable debt securities	-	-	-	4	-	4	1	-	1
Interest-bearing bank accounts	-	-	-	-	-	-	-	-	-
Mutual fund units in cash in more than 3 months	-	-	-	-	-	-	-	-	-
OTHER MARKETABLE SECURITIES	**592**	**(3)**	**589**	**668**	**(3)**	**665**	**485**	**(3)**	**482**
TOTAL CASH AND CASH EQUIVALENTS AND OTHER MARKETABLE SECURITIES	**925**	**(3)**	**922**	**1 093**	**(3)**	**1 090**	**820**	**(3)**	**817**

Other marketable securities include €20million in investments denominated in Venezuelan bolivar fuerte (at the exchange rate of 220.76 bolivar fuerte per US dollar), of which €13 million are balanced in the liability side by the structural working capital of the Venezuelan subsidiary.

Note 16. DEBT AND OTHER FINANCIAL LIABILITIES

In € millions	June 2014 Non-current	June 2014 Current	June 2014 Total	December 2014 Non-current	December 2014 Current	December 2014 Total	June 2015 Non-current	June 2015 Current	June 2015 Total
Bonds	1 289	-	1 289	1 307	-	1 307	1 465	-	1 465
Bank borrowings	-	203	203	-	2	2	1	3	4
DEBT	**1 289**	**203**	**1 492**	**1 307**	**2**	**1 309**	**1 466**	**3**	**1 469**
BANK OVERDRAFTS	**-**	**30**	**30**	**-**	**28**	**28**	**-**	**154**	**154**
Deposits	11	1	12	12	1	13	10	4	14
Purchase commitments	62	13	75	32	9	41	31	2	33
Derivatives	-	3	3	-	10	10	-	23	23
Other	-	14	14	2	6	8	2	13	15
OTHER FINANCIAL LIABILITIES	**73**	**31**	**104**	**46**	**26**	**72**	**43**	**42**	**85**
DEBT AND OTHER FINANCIAL LIABILITIES	**1 362**	**264**	**1 626**	**1 353**	**56**	**1 409**	**1 509**	**199**	**1 708**

The contractual documents for financial debt and other financial liabilities do not include any particular covenants or clauses that could significantly change the terms.

A. Debt

Debt includes the following items:

A. 1. Bonds

As of June 30, 2015 the Group gross outstanding bound position amounts to €1,485 million with the following breakdown:

Issue date	Amount (in million euros)	Annual coupon	Maturity
03/10/2015	500	1,375%	10 years 03/10/2025
10/30/2013	250	2,625%	7 years 10/30/2020
05/23/2012	225	3,750%	10 years 05/23/2022
06/10/2010	510	3,625%	7 years 10/06/2017
Gross outstanding bond position	**1 485**		

In February 2015, Edenred has proceeded to repurchase part of its bond issue due to October 2017 (annual coupon of 3.625%) for an amount of €290 million cash.

On March 2015, this repurchase has been followed by a new €500 million 10-year 1.375% bond issue (maturity to 03/10/2025).

As a result, Edenred has refinanced part of its bond issue due in 2017 before the maturity date, and has significantly increased the average life of its debt to six years.

A. 2. Bank borrowings

After the repayment of €200 million occurred in the fourth quarter of 2014paid out of the group €900 million euros term loan set up in June 2010, the Group has an outstanding bank debt position amounting to €1 million as of June 30, 2015.

B. Maturities of debt analysis

B. 1. Book value

B. 1. 1. At June 30, 2015

(in € millions)	June 2016	June 2017	June 2018	June 2019	June 2020	Beyond June 2021	June 2015
Total debt and other financial liabilities	201	13	524	18	1	951	1 708
Total	**201**	**13**	**524**	**18**	**1**	**951**	**1 708**

B. 1. 2. At December 31, 2014

(in € millions)	Dec. 2015	Dec. 2016	Dec. 2017	Dec. 2018	Dec. 2019	2020 and beyond	December 2014
Total debt and other financial liabilities	56	12	823	20	5	493	1 409
Total	**56**	**12**	**823**	**20**	**5**	**493**	**1 409**

B. 1. 3. At June 30, 2014

(in € millions)	June 2015	June 2016	June 2017	June 2018	June 2019	Beyond June 2020 (1)	June 2014
Total debt and other financial liabilities	264	4	2	806	53	497	1 626
Total	**264**	**4**	**2**	**806**	**53**	**497**	**1 626**

B. 2. Credit facilities

As of June 30, 2015 Edenred had € 700 million outstanding confirmed credit facilities expiring on June 2019. These facilities will be used for general corporate purposes and to support group activities.

Note 17. FINANCIAL INSTRUMENTS AND MARKET RISK MANAGEMENT

A. Rate risk

A. 1. Analysis by interest rate

A. 1. 1. Before hedging

Financial debt excluding hedging is as follows:

In € millions	June 2014			December 2014			June 2015		
	Amount	Rate	% of total debt	Amount	Rate	% of total debt	Amount	Rate	% of total debt
Fixed rate debt (1)	1 294	3,40%	87%	1 307	3,40%	100%	1 467	2,74%	100%
Variable rate debt	198	1,55%	13%	2	7,60%	0%	2	5,03%	0%
TOTAL DEBT	**1 492**	**3,16%**	**100%**	**1 309**	**3,41%**	**100%**	**1 469**	**2,74%**	**100%**

(1) The rates mentioned for the fixed rate debt correspond to the contractual rates applied to exact number of days of the year divided by 360.

A. 1. 2. After hedging

Financial debt after interest rate hedging is as follows:

In € millions	June 2014			December 2014			June 2015		
	Amount	Rate	% of total debt	Amount	Rate	% of total debt	Amount	Rate	% of total debt
Fixed rate debt	479	3,18%	32%	436	3,21%	33%	464	2,01%	32%
Variable rate debt	1 013	2,53%	68%	873	2,41%	67%	1 005	2,06%	68%
TOTAL DEBT	**1 492**	**2,74%**	**100%**	**1 309**	**2,68%**	**100%**	**1 469**	**2,05%**	**100%**

B. Foreign exchange risk

B. 1. Currency analysis

B. 1. 1. Before hedging

Financial debt without hedging is as follows:

In € millions	June 2014			December 2014			June 2015		
	Amount	Rate	% of total debt	Amount	Rate	% of total debt	Amount	Rate	% of total debt
EUR	1 488	3,15%	100%	1 307	3,40%	100%	1 467	2,74%	100%
Other currencies	4	5,79%	0%	2	7,69%	0%	2	6,79%	0%
TOTAL DEBT	**1 492**	**3,16%**	**100%**	**1 309**	**3,16%**	**100%**	**1 469**	**2,74%**	**100%**

B. 1. 2. After hedging

Financial debt after foreign currency hedging is as follows:

In € millions	June 2014			December 2014			June 2015		
	Amount	Rate	% of total debt	Amount	Rate	% of total debt	Amount	Rate	% of total debt
EUR	1 485	2,73%	100%	1 302	2,65%	99%	1 461	2,02%	100%
Other currencies	7	5,90%	0%	7	6,68%	1%	7	6,56%	0%
TOTAL DEBT	**1 492**	**2,74%**	**100%**	**1 309**	**2,74%**	**100%**	**1 469**	**2,05%**	**100%**

Note 18. NET DEBT AND NET CASH

(in € millions)	June 2014	December 2014	June 2015
Non-current debt	1 289	1 307	1 466
Other non-current financial liabilities	73	46	43
Current debt	203	2	3
Bank overdrafts	30	26	154
Other current financial liabilities	31	28	42
TOTAL DEBT AND OTHER FINANCIAL LIABILITIES	**1 626**	**1 409**	**1 708**
Current financial assets	(35)	(51)	(50)
Other marketable securities	(589)	(665)	(482)
Cash and cash equivalents	(333)	(425)	(335)
TOTAL CASH AND CASH EQUIVALENTS AND OTHER CURRENT FINANCIAL ASSETS	**(957)**	**(1 141)**	**(867)**
NET DEBT	**669**	**268**	**841**

(in € millions)	June 2014	December 2014	June 2015
Net debt at beginning of period	**276**	**276**	**268**
Increase (decrease) in non-current debt	(173)	(155)	159
Increase (decrease) in other non-current financial liabilities	6	(21)	(3)
Decrease (increase) in other marketable securities	294	218	183
Decrease (increase) in cash and cash equivalents, net of bank overdrafts	90	(4)	218
Increase (decrease) in other financial assets and liabilities	176	(46)	16
Increase (decrease) in net debt	**393**	**(8)**	**573**
NET DEBT AT END OF PERIOD	**669**	**268**	**841**

Note 19. PROVISIONS

Changes in non-current provisions between January 1, 2015 and June 30, 2015 are as follows:

(in € millions)	Dec. 31, 2014	Impact on equity	Additions	Utilizations	Reversals of unused amounts	Currency translation adjustment	Reclassifi-cations and changes in scope	June 2015
- Provisions for pensions and loyalty bonuses	32	1	1	(1)	(1)	-	1	33
- Provisions for claims and litigation and other contingencies	-	-	1	-	-	-	1	2
TOTAL NON-CURRENT PROVISIONS	**32**	**1**	**2**	**(1)**	**(1)**	**-**	**2**	**35**

Changes in current provisions between January 1, 2015 and June 30, 2015 are as follows:

(in € millions)	Dec. 31, 2014	Impact on equity	Additions	Utilizations	Reversals of unused amounts	Currency translation adjustment	Reclassifi-cations and changes in scope	June 2015
- Provisions for tax litigations	15	-	1	(5)	0	(1)	-	10
- Restructuring provisions	5	-	1	(4)	0	0	-	2
- Provisions for claims and litigation and other contingencies	20	-	2	0	0	0	-	22
TOTAL CURRENT PROVISIONS	**40**	**-**	**4**	**(9)**	**0**	**(1)**	**-**	**34**

There is no contingent liability set aside for ligations that are each above €2 million.

Net provision expense - corresponding to increases in provisions less reversals of used and unused provisions set up in prior periods - is reported under the following income statement captions:

(in € millions)	June 2014	June 2015
EBIT	(2)	(1)
Net financial expenses	-	-
Restructuring costs and impairment losses	9	3
Income tax expense	3	3
TOTAL	**10**	**5**

Note 20. WORKING CAPITAL, SERVICE VOUCHERS IN CIRCULATION AND RESTRICTED CASH

A. Net change in working capital and service vouchers in circulation

(in € millions)	June 2014	December 2014	June 2015	Change June 2015/ Dec. 2014
Inventories, net	13	14	16	2
Trade receivables, net	942	1 035	966	(69)
Other receivables and accruals, net	267	272	312	40
Working capital requirments - assets	**1 222**	**1 321**	**1 294**	**(27)**
Trade payables	58	67	62	(5)
Other payables	161	169	174	5
Vouchers in circulation	3 237	3 615	3 341	(274)
Working capital requirements - liabilities	**3 456**	**3 851**	**3 577**	**(274)**
NEGATIVE WORKING CAPITAL	**2 234**	**2 530**	**2 283**	**(247)**
Corporate tax liabilities	18	16	17	(1)
NEGATIVE WORKING CAPITAL (INCL. CORPORATE TAX LIABILITIES)	**2 252**	**2 546**	**2 300**	**(248)**

(in € millions)	June 2015
Working capital at beginning of period	**2 530**
Change in w orking capital (1)	(224)
Development Expenditure	9
Disposals	(17)
Other income and expenses	-
Provisions	2
Currency translation adjustment	(18)
Reclassification to other balance sheet items	1
Net change in working capital	**(247)**
WORKING CAPITAL AT END OF PERIOD	**2 283**

(1) See statement of cash flows 1.4

B. Net change in restricted cash

Restricted cash corresponds mainly to service voucher reserve funds submitted to local specific regulation in France (€604 million), United Kingdom (€140 million) and Romania (€29 million).

(in € millions)	June 2015
Restricted cash at beginning of period	**(797)**
Like-for-like change for the period (1)	2
Reclassification from cash and cash equivalents to restricted cash	-
Currency translation adjustment	(14)
Net change in restricted cash	**(12)**
RESTRICTED CASH AT END OF PERIOD	**(809)**

(1) See statement of cash flows 1.4

Note 21. CLAIMS AND LITIGATIONS

A. Tax litigation in France

Following a tax audit of the 2003 and 2004 accounts of Edenred France (previously Accor Services France), the French tax authorities imposed various fines on the company related to VAT payments and failure to produce a schedule tracking capital gains subject to tax deferral.

After the tax authorities issued a collection notice, the fines – which totaled €21.8 million – were paid by the company in April 2008 and recognized as an expense in the 2008 yearly financial statements.

On December 10, 2009, the company applied to the Montreuil Administrative Tribunal for a ruling on the matter. The application was rejected by the Montreuil Administrative Tribunal on December 2, 2010.

On February 16, 2011, the company appealed the decision before the Versailles Administrative Court of Appeal.

On March 6th, 2014, the Versailles Administrative Court of Appeal handed down a judgment partially giving effect to the company's motion. Indeed, the Court ordered tax break of VAT related penalties for a principal amount of € 2.3 million and nevertheless maintained in the company's responsibility the fine for failure to produce the monitoring of the capital gains subject to tax deferral.

The Company decided to appeal the decision in cassation before the Council of State against the Court's sentence maintaining the fine for failure to produce the monitoring of the capital gains subject to tax deferral. Given the lack of suspensory effect of the appeal, the Company beneficiated of the payment of €3.1 million (including moratory interests for €0.7 million).

The case is ongoing.

B. Dispute with PPR (which has been substituted for Fnac in the procedure) and Conforama

Edenred France (which is Accentiv'Kadéos suscessor in interest) is involved in disputes with Fnac and Conforama, two members of its gift solution acceptance and distribution network, as a result of their alleged failure to fulfil certain contractual obligations, particularly the obligation to exclusively distribute the Kadéos card up until December 31, 2011. The dispute arose as Fnac and Conforama created their own single-brand cards that they distribute through their respective store networks, leading Edenred to apply for court orders requiring Fnac and Conforama to stop distributing their own cards immediately.

The three steps of legal proceedings of this litigation are: emergency hearing, proceedings on the merits and arbitration proceedings.

Accentiv' Kadéos requested and obtained a court order from the Paris Court of Appeals on December 1, 2010, and a subsequent ruling from the Supreme Court of Appeals (Cour de Cassation) on November 15, 2011, requiring Fnac to stop distributing its single-brand card immediately or suffer a penalty. A similar order was issued to Conforama on December 3, 2010.

The related procedures are still ongoing, pending a ruling on the merits of the cases. Consequently, the cash compensation received to date in relation to the cases has not yet been recognized in the income statement.

Concerning the merits of the cases, on January 28, 2011, Accentiv' Kadéos was summoned before the Paris Commercial Court following an application lodged by Fnac and Conforama to obtain retroactive removal of the exclusivity obligations as well as compensation for losses suffered as a result of the continued existence of those obligations, estimated by the two groups at around €6 million. On June 22, 2012, without commenting on the merits, the Paris Commercial Court ruled that it was not competent to hear the case. Referring to the arbitration clause contained in the Kadéos share purchase agreement, the Court stated that the parties should submit their disputes to arbitration. Accentiv Kadéos brought an action against this ruling. After a decision of the Paris Court of Appeals stating that it was not competent to hear the case, against which Kering and Conforama appealed in cassation.

On February 12, 2014, the Cassation Court rejected the appeal in cassation of Kering and Conforama: Paris Commercial Court is competent to hear the case.

At the same time, referring to the Paris Commercial Court's ruling of June 22, 2012, KERING (which has been substituted for Fnac in the procedure) and Conforama applied to the International Chamber of Commerce to initiate arbitration proceedings.

Each party has appointed its own arbitrator. Given the decision of the Court of Cassation on February 12, 2014, the arbitrational Court ruled on April 15, 2014 that it was not competent to hear the case. The arbitration proceeding is now closed.

As a consequence, the Commercial Court was seized to rule about the merits of the dispute.

Edenred believes that Fnac and Conforama's claims are without merit. Consequently, no related provision has been set aside in the financial statements.

C. ICSID dispute

Due to a change in regulatory and tax framework in Hungary related to the emission conditions of meal and food vouchers, in August 2013, Edenred filed a claim for arbitration against the Hungarian government before the International Center for Settlement of Investment Disputes (ICSID).

D. Tax audit and tax litigation in Italy

In October 2011, the Italian tax authorities notified several Accor and Edenred subsidiaries of a €27.4 million tax reassessment concerning registration duties. The reassessment is based on the requalification of a number of transactions carried out as part of the reorganization of Accor's Services division in Italy between 2006 and 2010.

The Accor and Edenred companies concerned filed a complaint to the Italian authorities on December 16, 2011 contesting the reassessments.

The reassessment notices required settlement of the tax deficiencies within 60 days and the companies concerned therefore paid the amounts claimed on December 16, 2011. The cost was shared equally between Accor and Edenred.

The dispute has been brought before the jurisdiction of the relevant court in Milan that ruled in favor of Edenred and Accord on March 25th, 2014. The administration appealed the decision.

The companies maintain their position on the fact that the tax reassessment is without merit and, after consulting with their legal and tax advisors, consider that their challenges have a reasonable chance of success.

As a result, no expense was recorded in Edenred's consolidated income statement.

E. Tax litigation in Brazil

E. 1. Municipal tax

In December 2011, the City of São Paulo notified Brazilian subsidiary Ticket Serviços of a municipal tax (ISS Imposto Sobre Serviços) reassessment in respect of the period April to December 2006. Ticket Serviços had already paid this tax to the City of Alphaville.

The reassessment amounts to BRL 7.7 million, and Ticket Serviços also faces claims for late interests, fines and inflation adjustments estimated at BRL 52.6 million at June 30, 2015.

In November 2012, Ticket Serviços was notified of the corresponding amounts for the period January 2007 to March 2009.

For this second period, the reassessment amounts to BRL 28.1 million, and the late interest, fines and inflation adjustments represent an estimated at BRL 182.6 million at June 30, 2015. The Company's motion before the Brazilian courts was denied in the first instance and is now the subject of an appeal.

The Company's motion before the Administrative chamber of appeal was denied on September 23, 2014. This decision has been appealed by the company.

Based on the opinion of its tax advisors, Edenred believes that the probability of a favorable outcome is high. Consequently, no related provision has been set aside in the financial statements.

E. 2. Tax allowance for goodwill amortization

In January 2012, the Brazilian federal tax administration notified Ticket Serviços of a proposed reassessment of corporate income tax and the IRPJ and CSLL surtaxes for the years 2007 to 2010. The reassessment amounts to BRL 81.7 million, and Ticket Serviços also faces claims for late interests, fines and inflation adjustments estimated at BRL 191.9 million at June 30, 2015.

The reassessment is based on the tax administration's decision to disallow amortization of the goodwill recognized on the buyout of minority interests in Ticket Serviços. The company applied to the tax court to have the reassessment overturned. Its request was rejected in the second instance. The Company is waiting to be officially notified of the decision.

After consulting its tax advisors, Ticket Serviços believes that the probability of a favorable outcome is high. No income statement effect has been recorded in Edenred's financial statements in respect of this dispute.

The Group is also involved or may be involved in the future in various claims or legal proceedings in the normal course of business. As of the date of this report, to the best of the Company's knowledge, there are no claims or legal proceedings in progress, pending or threatening the Company or its subsidiaries that could have a material effect on the Group's business, results or financial position.

Note 22. SUBSEQUENT EVENTS

A. 1. Edenred and Daimler Sign Partnership Deal in Brazil

On July 24, 2015, Edenred has joined forces with the Daimler group to launch a common solution on the Brazilian fuel card market.

Auditors’ review report on the half year consolidated financial statements

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STATUTORY AUDITORS' REVIEW REPORT ON THE 2015 HALF-YEAR FINANCIAL INFORMATION

(Six months ended June 30, 2015)

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

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Annual General Meetings and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (*"Code monétaire et financier"*), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Edenred, for the six months ended June 30, 2015 ;
- the verification of the information contained in the half-year management report.

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

1. Conclusion on the financial statements

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

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

2. Specific verification

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

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

Paris and Neuilly-sur-Seine, July 23, 2015

The Statutory Auditors

French original signed by

CABINET DIDIER KLING & ASSOCIÉS	DELOITTE & ASSOCIÉS
Didier KLING	David DUPONT-NOEL

Statement by the person responsible for the 2015 half-yearly financial report

Statement by the person responsible for the 2015 half-yearly financial report

I declare that, to the best of my knowledge, (i) the consolidated financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the companies included in the consolidation, and (ii) the half-yearly management report includes a fair review of material events of the first six months of the financial year and their impact on the half-yearly financial statements, as well as a discussion of the main risks and uncertainties in the second half of the year and a description of the main related party transactions for the period.

Malakoff – July 23, 2015

Jacques Stern

Chairman and Chief Executive Officer