**PROSPECTUS DATED 27 JULY 2017**

# SODEXO

*(a société anonyme incorporated in the Republic of France)*

## Euro 200,000,000 0.750 per cent. Bonds due 14 April 2027
## (the "**Bonds**")
## to be consolidated, form a single series and be interchangeable for trading purposes with the
## Euro 600,000,000 0.750 per cent. Bonds due 14 April 2027
## issued on 14 October 2016

## Issue Price: 94.928 per cent. of the principal amount of the Bonds plus an amount of Euro 447,945.21 corresponding to accrued interest with respect to the period from, and including, 14 April 2017 to, but excluding, 1 August 2017

This prospectus (including the documents incorporated by reference) constitutes a prospectus (the "**Prospectus**") for the purposes of Article 5.3 of Directive 2003/71/EC of the European Parliament and of the Council Dated 4 November 2003, as amended (the "**Prospectus Directive**"). This Prospectus has been approved by the *Autorité des marchés financiers* (the "**AMF**") in France, in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive.

The Bonds will be issued on 1 August 2017 (the "**Issue Date**") and will bear interest at a rate of 0.750 per cent. per annum from, and including, 14 April 2017 to, but excluding, 14 April 2027, payable annually in arrear on 14 April in each year commencing on 14 April 2018 as more fully described in "Terms and Conditions of the Bonds – Interest" herein. The Bonds will be consolidated, form a single series and be interchangeable for trading purposes with the Euro 600,000,000 0.750 per cent. Bonds due 14 April 2027 issued on 14 October 2016 (the "**Existing Bonds**") on and from 11 September 2017, being the date which is forty (40) calendar days after the Issue Date (the "**Exchange Date**").

Payments of principal and interest on the Bonds will be made without deduction for or on account of taxes imposed or levied by the Republic of France as more fully described in "Terms and Conditions of the Bonds – Taxation".

Application has been made to admit the Bonds to trading on the regulated market of Euronext Paris ("**Euronext Paris**") on the Issue Date (as defined below). The Existing Bonds are already admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, as amended. This Prospectus contains information relating to the issue by Sodexo (the "**Issuer**") of the Bonds. The prospectus relating to the Existing Bonds received visa n°16-476 from the *Autorité des marchés financiers* on 12 October 2016.

Unless previously redeemed or purchased and cancelled, the Bonds will be redeemed in full at their principal amount on 14 April 2027. The Bonds may, in certain circumstances, be redeemed, in whole or in part, at their principal amount together with accrued interest (See "Terms and Conditions of the Bonds – Redemption and Purchase" herein).

Bondholders will be entitled, following a Change of Control, as defined herein, to request the Issuer to redeem or procure the purchase of their Bonds at their principal amount together with any accrued interest as more fully described under "Terms and Conditions of the Bonds – Redemption upon a Change of Control".

The denomination of the Bonds shall be €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000.

The Bonds will initially be represented by a Temporary Global Bond, without interest coupons, which will be issued in new global note ("**NGN**") form and the Temporary Global Bond will be delivered on or prior to the Issue Date to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**"). The Temporary Global Bond will be exchangeable for interests recorded in the records of Euroclear and Clearstream in a Permanent Global Bond issued in NGN form, without interest coupons, on or after the Exchange Date (as defined herein) upon certification as to non-U.S. beneficial ownership. The Bonds are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Bonds are intended upon issue to be deposited with one of Euroclear or Clearstream as Common Safekeeper and does not necessarily mean that the Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. The Permanent Global Bond will be exchangeable for definitive Bonds in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 in the circumstances set out in it. See "Summary of Provisions relating to the Bonds while represented by the Global Bonds".

The Bonds will be assigned a rating of A- by S&P Global Ratings France SAS ("**S&P**"). The Issuer has been assigned a rating of A- (stable) by S&P. As of the date of this Prospectus, S&P is established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council on credit rating agencies dated 16 September 2009 as amended (the "**CRA Regulation**"). As such, S&P is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating agency.

**See "Risk Factors" on pages 5-9 of this Prospectus for certain information relevant to an investment in the Bonds.**

**LEAD MANAGER**

**ING**

**CO-LEAD MANAGER**

**NATWEST MARKETS**

## IMPORTANT NOTICES

This Prospectus has been prepared for the purpose of giving information with regard to the Issuer, the Issuer and its subsidiaries taken as a whole (the "**Group**") and the Bonds. The Issuer (whose registered office is located at 255 quai de la bataille de Stalingrad, Issy les Moulineaux (Hauts–de-Seine) 92130 France), having taken all reasonable care to ensure that such is the case, confirms that the information contained or incorporated by reference in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Issuer accepts responsibility accordingly.

The delivery of this Prospectus at any time does not imply that any information contained or incorporated herein is correct at any time subsequent to the date hereof.

In connection with the issue and sale of the Bonds, no person is authorised to give any information or to make any representation not contained (or incorporated by reference in) in this Prospectus, and neither the Issuer nor any of the Managers (as defined in "Subscription and Sale" below) accepts responsibility for any information or representation so given. This Prospectus does not constitute an offer of Bonds, nor may it be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Bonds or the distribution of this Prospectus in any jurisdiction where any such action is required except as specified herein.

The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about, and to observe, any such restrictions.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

A further description of certain restrictions on offers and sales of the Bonds in the United States, and in certain other jurisdictions, is set forth below under “Subscription and Sale”.

In this Prospectus, references to "**euro**", "**EURO**", "**Euro**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

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# RISK FACTORS

*The following are certain risk factors which the Issuer believes may be material for the purpose of assessing the market risk associated with the Bonds and of which prospective investors should be aware. Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Prospectus, including in particular the risk factors detailed below.*

*Prospective investors should make their own independent evaluations of all investment considerations. Terms defined in "Terms and Conditions of the Bonds" below shall have the same meaning where used below.*

## Risk Factors relating to the Issuer

The risk factors relating to the Issuer and its activities are set out on pages 183 to 186 of the 2016 French Reference Document and page 21 of the *2016-2017* French semi-annual financial report and are incorporated by reference herein (see "Documents Incorporated by Reference"). These risks include:

- *Risks related to the Group's activities;*
    - Commercial Risks related to On-site Services;
    - Client retention risk;
    - Competition risk;
    - Dependency risk;
    - Food, services and workplace safety risk;
    - Risks related to food cost inflation and access to food commodities;
    - Risks related to facilities management;
    - Risks related to acquisitions;
- *Human Resources Management Risks;*
- *Environmental Risks;*
- *Risks Associated with Technology;*
- *Regulatory Risk;*
- *Liquidity, Interest Rate, Foreign Exchange and Counter-party Risk;*
- *Economic Downturn Risk; and*
- *Litigation Risk.*

## Risk Factors relating to the Bonds

### *The Bonds may not be a suitable investment for all investors*

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets;

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, monetary, interest rate and other factors that may affect its investment and its ability to bear the applicable risks, and

(vi) consult with their legal advisers in relation to possible legal or fiscal risks that may be associated with any investment in the Bonds.

***There is no active trading market for the Bonds***

The Bonds are new securities which may not be widely distributed and for which there is currently no active trading market. If the Bonds are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although application have been made for the Bonds to be admitted to listing on Euronext Paris and notwithstanding that the Existing Bonds are already listed on Euronext Paris, there is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds.

***Fixed Rate Interest***

Subsequent changes in interest rates may adversely affect the value of the Bonds.

***The Bonds may be redeemed prior to maturity***

In the event that the Issuer would be obliged to pay additional amounts in respect of any Bonds due to any withholding as provided in Condition 5(b) (*Redemption for taxation reasons*) of the Terms and Conditions of the Bonds, the Issuer may and, in certain circumstances, shall, redeem all of the Bonds (including the Existing Bonds) then outstanding in accordance with such Condition. As a consequence, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Bonds.

In addition, the Conditions provide that the Bonds (including the Existing Bonds) are redeemable, in whole or, if applicable, in part, at the Issuer's option in certain other circumstances (see Condition 5(d) (*Pre-Maturity Call Option*), Condition 5(e) (*Make-Whole Redemption by the Issuer*) and Condition 5(f) (*Squeeze-out Call Option*)) and accordingly, the Issuer may choose to redeem the Bonds at times when prevailing interest rates may be relatively low. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Bonds.

With respect to Condition 5(f) (*Squeeze-out Call Option*), there is no obligation on the Issuer to inform Bondholders if and when 80 per cent. or more of the original aggregate principal amount of the Bonds and the Existing Bonds has been redeemed or is about to be redeemed, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Squeeze-out Call Option the Bonds may have been trading significantly above par, thus potentially resulting in a loss for the Bondholders.

***Credit ratings may not reflect all risks***

The ratings assigned by the credit rating agencies to the Bonds may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

***Credit risk***

An investment in the Bonds involves taking credit risk on the Issuer. If the creditworthiness of the Issuer deteriorates, it may not be able to fulfil all or part of its payment obligations under the Bonds, and investors may lose all or part of their investment.

***Partial redemption at the option of the Issuer or the Bondholders***

Depending on the number of Bonds and the Existing Bonds in respect of which a partial redemption of the Bonds at the option of the Bondholders (pursuant to Condition 5(c) (*Redemption upon a Change of Control*)) or a partial redemption of the Bonds and the Existing Bonds at the option of the Issuer (pursuant to Condition 5(d) (*Pre-Maturity Call Option*) or Condition 5(e) (*Make-Whole Redemption by the Issuer*)) is exercised, any trading market in respect of those Bonds in respect of which such option is not exercised may become illiquid.

***Exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of Euro or revaluation of the Investor's

Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency-equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Market value of the Bonds***

The value of the Bonds depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a holder of Bonds will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

***No covenants***

The Bonds do not restrict the Issuer or any of its Subsidiaries (as defined in the Conditions) from incurring additional debt. The Terms and Conditions of the Bonds contain a negative pledge that prohibits the Issuer in certain circumstances, from creating security over assets, but only to the extent that such is used to secure other bonds or similar listed or quoted debt instruments (see Condition 3 (*Negative Pledge*)). The Terms and Conditions of the Bonds do not contain any covenants restricting the operations of the Issuer or its Subsidiaries.

***Modifications and waivers***

The Terms and Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders (including holders of the Bonds and the Existing Bonds) including such holders who did not attend and vote at the relevant meeting and such holders who voted in a manner contrary to the majority.

***Change of law***

The Terms and Conditions of the Bonds are based on the laws of England and Wales in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of England and Wales or administrative practice after the date of this Prospectus. Furthermore, the Issuer operates in a heavily regulated environment and has to comply with extensive regulations in England and Wales and elsewhere. No assurance can be given as to the impact of any possible judicial decision or change to laws or administrative practices after the date of this Prospectus.

***Taxation***

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Bonds. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Bonds. Only these advisers are in a position to duly consider the specific situation of each potential investor. This risk factor has to be read in connection with the "Taxation" section of this Prospectus.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Bonds.

A Bondholder's effective yield on the Bonds may be diminished by the tax impact on that Bondholder of its investment in the Bonds.

***The proposed financial transactions tax***

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax (the "**FTT**") to be implemented under the enhanced cooperation procedure by eleven Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovenia and Slovakia (the "**Participating Member States**")). However, Estonia has since stated that it will not participate.

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Bonds (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Bonds where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

However, the Commission's Proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains uncertain. Additional EU Member States may decide to participate and/or other Participating Member States may decide to withdraw.

Prospective holders of the Bonds are advised to seek their own professional advice in relation to the FTT.

***Potential conflicts of interest***

All or some of the Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. All or some of the Managers and their affiliates may have positions, deal or make markets in the Bonds and/or the Existing Bonds, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies with the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. All or some of the Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Bonds. Any such positions could adversely affect liquidity and future trading prices of the Bonds. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

***French insolvency law***

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a safeguard *(procédure de sauvegarde, procédure de sauvegarde accélérée* or *procédure de sauvegarde* *financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer. The Assembly comprises holders of all debt securities issued by the Issuer (including the Bonds) regardless of their governing law. The Assembly deliberates on the proposed safeguard (*projet de plan de sauvegarde, projet de plan de sauvegarde accélérée or projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

(a) increase the liabilities (*charges*) of holders of debt securities (including the Bondholders) by rescheduling due payments and/or partially or totally writing off receivables in form of debt securities;

(b) establish an unequal treatment between holders of debt securities (including the Bondholders) as appropriate under the circumstances; and/or

(c) decide to convert debt securities (including the Bonds) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders expressing a vote in such Assembly). No quorum is required to convoke the Assembly.

The procedures, as described above or as they will or may be amended, could have an adverse impact on holders of the Bonds seeking repayment in the event that the Issuer or its subsidiaries were to become insolvent***.***

For the avoidance of doubt, the provisions relating to the representation of the Bondholders described in Condition 11 (*Meetings of Bondholders and Modification*) shall not apply in such case.

***Minimum Denomination***

As the Bonds have a denomination consisting of the minimum denomination plus a higher integral multiple of another smaller amount, it is possible that the Bonds may be traded in amounts in excess of Euro 100,000 (or its equivalent) that are not integral multiples of Euro 100,000 (or its equivalent). In such case, a Bondholder who, as a result of trading such amounts, holds a principal amount of less than the minimum denomination with the relevant clearing system at the relevant time may not receive a definitive Bond in respect of such holding (should definitive Bonds be printed) and would need to purchase a principal amount of Bonds such that its holding amounts to the minimum denomination.

If definitive Bonds are issued, holders should be aware that definitive Bonds which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents which are incorporated by reference in this Prospectus:

(i) the reference document of the Issuer in the French language dated 21 November 2016 filed with the AMF on 21 November 2016 under no. D16-0973 (the "**2016 French Reference Document**") except that the statement by M. Michel Landel, Chief Executive Officer of the Issuer, on page 303 of the 2016 French Reference Document referring to the letter from the statutory auditors shall not be deemed to be incorporated herein

(ii) the reference document of the Issuer in the French language dated 20 November 2015 filed with the AMF on 20 November 2015 under no. D.15-1039 (the "**2015 French Reference Document**") except that the statement by M. Michel Landel, Chief Executive Officer of the Issuer, on page 351 of the 2015 French Reference Document referring to the letter from the statutory auditors shall not be deemed to be incorporated herein; and

(iii) the unaudited semi-annual condensed consolidated financial statements of the Issuer in the French language for the 6 months period ended 28 February 2017 (the "**2016-2017 French semi-annual financial report**").

So long as any of the Bonds are outstanding, this Prospectus and the documents incorporated by reference in this Prospectus will also be available during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection and collection free of charge, at the specified offices of the Paying Agents. Such documents will also be available to view on the website of the AMF (www.amf-france.org) and the Issuer (www.sodexo.com) (except that the 2016-2017 French semi-annual financial report will not be available on the website of the AMF).

The 2016 French Reference Document contains, *inter alia*, the Annual Report of the Issuer (including the Audited Consolidated Financial Statements and related Notes and Audit Report) for the financial year ended 31 August 2016.

The 2015 French Reference Document contains, *inter alia*, the Annual Report of the Issuer (including the Audited Consolidated Financial Statements and related Notes and Audit Report) for the financial year ended 31 August 2015.

English language translations of the 2016 French Reference Document, the 2015 French Reference Document and the 2016-2017 French semi-annual financial report are also available to view on the website of the Issuer (www.sodexo.com). Such translations are non-binding and are provided for information purposes only. In the event of any inconsistency between the English language versions translations and the original French language versions of any of the documents incorporated by reference, the French language versions will prevail.

For the purposes of the Prospectus Directive, information can be found in such documents incorporated by reference in accordance with the following cross-reference table (in which the numbering refers to the relevant Sections of Annex IX of Regulation EC 809/2004):

| **CROSS REFERENCE TABLE OF INFORMATION INCORPORATED BY REFERENCE** | |
|---|---|
| **Annex IX Section Number** | **Page Reference in the French language version of the Relevant Document Incorporated by Reference** |
| **2. STATUTORY AUDITORS** | |
| 2.1. Names and addresses of the issuer's auditors (together with their membership in a professional body) | *See page 304 of the* **2016 French Reference Document** |
| **3. RISK FACTORS RELATING TO THE ISSUER** | *See pages 183 to 186 of the* **2016 French Reference Document** |
| **4. INFORMATION ABOUT THE ISSUER** | |
| 4.1. History and development of the Issuer | *See pages 18 to 19 of the* **2016 French Reference Document** |
| 4.1.1 legal and commercial name of the Issuer | *See page 281 of the* **2016 French Reference Document** |
| 4.1.2 place of registration of the Issuer and its registration number | *See page 282 of the* **2016 French Reference Document** |
| 4.1.3 date of incorporation and length of life of the Issuer | *See page 281 of the* **2016 French Reference Document** |
| 4.1.4 domicile and legal form of the Issuer, legislation under which the Issuer operates, country of incorporation, address and telephone number of its registered office (or principal place of business if different) | *See page 281 of the* **2016 French Reference Document** |
| **5. BUSINESS OVERVIEW** | |
| 5.1. Principal activities: | |
| 5.1.1. brief description of the Issuer's principal activities stating main categories of products sold and/or services performed | *See pages 26 to 69 and 112 to 119 of the* **2016 French Reference Document** |
| 5.1.2. the basis for any statements made regarding the issuer's competitive position | *See pages 26 to 69 and 183 of the* **2016 French Reference Document** |
| **6. ORGANISATIONAL STRUCTURE** | |
| 6.1. description of the Group and the Issuer's position within it | *See pages 171, 182 and 274 of the* **2016 French Reference Document** |
| **9. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES** | |
| 9.1. names, business addresses and functions in the issuer of members of the administrative, management and supervisory bodies of the Issuer, and principal activities performed by them outside the Issuer where significant | *See pages 217 to 226, 232 to 233 and 244 of the* **2016 French Reference Document** |
| **10. MAJOR SHAREHOLDERS** | |

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| 10.1. direct or indirect ownership or control of the Issuer, nature of such control, measures in place to ensure such control is not abused | *See pages 274, 275 and 244 to 245 of the* **2016 French Reference Document** |
| **11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES** | |
| 11.1. Historical Financial Information | |
| Audited consolidated financial statements of the Issuer for the financial year ended 31 August 2015: | |
| (i) consolidated balance sheet: | *See pages 142 to 143 of the* **2015 French Reference Document** |
| (ii) consolidated income statement: | *See page 140 of the* **2015 French Reference Document** |
| (iii) consolidated cash flow statement | *See page 144 of the* **2015 French Reference Document** |
| (iv) statement of recognized income and expenses | *See page 141 of the* **2015 French Reference Document** |
| (v) accounting policies and explanatory notes: | *See pages 147 to 200 of the* **2015 French Reference Document** |
| (vi) audit report: | *See pages 201 to 202 of the* **2015 French Reference Document** |
| Audited consolidated financial statements of the Issuer for the financial year ended 31 August 2016: | |
| (vii) consolidated balance sheet: | *See pages 126 to 127 of the* **2016 French Reference Document** |
| (viii) consolidated income statement: | *See page 124 of the* **2016 French Reference Document** |
| (ix) consolidated cash flow statement | *See page 128 of the* **2016 French Reference Document** |
| (x) statement of recognized income and expenses | *See page 125 of the* **2016 French Reference Document** |
| (xi) accounting policies and explanatory notes: | *See pages 131 to 175 of the* **2016 French Reference Document** |
| (xii) audit report: | *See pages 176 to 177 of the* **2016 French Reference Document** |
| 11.5. Legal and Arbitration Proceedings | *See page 173 of the* **2016 French Reference Document** |

| **Cross reference table in which numbering refers to the relevant Sections of Annex IX of Regulation EC 809/2004)** | **Page Reference of 2016-2017 French semi-annual financial report** |
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| 11.1. Historical Financial Information | |
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| (i) consolidated balance sheet: | 28 to 29 |
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## TERMS AND CONDITIONS OF THE BONDS

*The following is the text of the terms and conditions which, subject to completion and amendment, will be reproduced on each definitive Bond (if issued).*

The issue of the Euro 200,000,000 0.750 per cent. Bonds due 14 April 2027 (the "**Bonds**") (which expression shall in these terms and conditions, unless the context otherwise requires, include any further Bonds issued pursuant to Condition 12 (*Further Issues*) and forming a single series with the Bonds) of Sodexo (the "**Issuer**") on 1 August 2017 (the "**Issue Date**") was authorised by a decision of the Board of Directors (c*onseil d'administration*) of the Issuer passed on 14 June 2017. The Bonds will be consolidated, form a single series and be interchangeable for trading purposes with the Euro 600,000,000 0.750 per cent. Bonds due 14 April 2027 issued on 14 October 2016 (the "**Existing Bonds**") on and from 11 September 2017, being the date which is forty (40) days after the Issue Date (the "**Exchange Date**"). A supplemental fiscal agency agreement dated 1 August 2017 relating to the Bonds (the "**First Supplemental Fiscal Agency Agreement**") has been entered into in relation to the Bonds between the Issuer, BNP Paribas Securities Services, Luxembourg Branch as fiscal agent, calculation agent and principal paying agent and BNP Paribas Securities Services as paying agent, supplemental to a fiscal agency agreement dated 14 October 2016 in relation to the Existing Bonds (the "**Principal Agency Agreement**" and, together with the First Supplemental Fiscal Agency Agreement and any further supplements thereto entered in connection with the issue of any further bonds issued pursuant to Condition 12, the "**Fiscal Agency Agreement**"). The fiscal agent, the paying agents and the calculation agent for the time being are referred to below respectively as the "**Fiscal Agent**", the "**Calculation Agent**" and the "**Paying Agents**" (which expression shall include the Fiscal Agent and the Calculation Agent). The expressions "**Fiscal Agent**", "**Calculation Agent**" and "**Paying Agents**" shall include, as the case may be, any substitute fiscal agent or substitute or additional paying agent(s) appointed pursuant to the Fiscal Agency Agreement. The Fiscal Agency Agreement includes the form of the Bonds and the coupons relating to them (the "**Coupons**"). Copies of the Fiscal Agency Agreement are available for inspection during normal business hours at the specified offices of the Paying Agents. The holders of the Bonds (the "**Bondholders**") and the holders of the Coupons (whether or not attached to them) (the "**Couponholders**") are deemed to have notice of all the provisions of the Fiscal Agency Agreement applicable to them. References to the "**Conditions**" shall be to the numbered paragraphs below.

### 1 Form, Denomination and Title

(a) **Form and denomination:** The Bonds are serially numbered and in bearer form in the denominations of Euro 100,000 and integral multiples of Euro 1,000 in excess thereof up to and including Euro 199,000.

(b) **Title:** Title to the Bonds and Coupons passes by delivery. The holder of any Bond or Coupon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

### 2 Status

The Bonds and Coupons constitute direct, unconditional and (subject to Condition 3 (*Negative Pledge*)) unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds and Coupons shall, save for such exceptions as may be provided by applicable legislation (and subject to Condition 3 (*Negative Pledge*)), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

### 3 Negative Pledge

So long as any of the Bonds remains outstanding (as defined below), the Issuer will not create or permit to subsist any mortgage, lien, charge, pledge or other form of security interest (*sûreté réelle*) upon any of its assets or revenues, present or future, to secure any Relevant Debt (as defined below) of the Issuer or any guarantee or indemnity assumed or granted by the Issuer in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Bonds and the Coupons are equally and rateably secured therewith.

For the purposes of this Condition:

"**outstanding**" means, in relation to the Bonds, all the Bonds issued except (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Bonds to the date for such redemption and any interest payable under the Conditions after such date) have been duly paid to the Fiscal Agent and remain available for payment against presentation and surrender of Bonds and/or Coupons, as the case may be, (c) those in respect of which claims have become void, (d) those which have been purchased and cancelled as provided in the Conditions, (e) those mutilated or defaced Bonds which have been surrendered in exchange for replacement Bonds, (f) (for the purpose only of determining how many Bonds are outstanding and without prejudice to their status for any other purpose) those Bonds alleged to have been lost, stolen or destroyed and in respect of which replacement Bonds have been issued, and (g) the Temporary Global Bond to the extent that it shall have been exchanged for the Permanent Global Bond pursuant to its provisions and the Permanent Global Bond to the extent that it shall have been exchanged for definitive Bonds pursuant to its provisions; provided that for the purposes of (1) ascertaining the right to attend and vote at any meeting of the Bondholders and (2) the determination of how many Bonds are outstanding for the purposes of meetings of Bondholders those Bonds which are beneficially held by, or are held on behalf of, the Issuer or any of its Subsidiaries and not cancelled shall (unless and until ceasing to be so held) be deemed not to remain outstanding and, for the purposes of this proviso, in the case of the Temporary Global Bond and Permanent Global Bond, the Fiscal Agent shall rely on the records of Euroclear and Clearstream in relation to any determination of the nominal amount outstanding of the Temporary Global Bond and Permanent Global Bond;

**"Relevant Debt**" means any present or future indebtedness for borrowed money, which is originally and solely in the form of, or represented by, bonds or notes (*obligations*) which are for the time being, or are likely to be quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.

**4 Interest**

The Bonds bear interest from and including 14 April 2017 at the rate of 0.750 per cent. *per annum* (the "**Rate of Interest**"), payable annually in arrear on 14 April in each year (each an "**Interest Payment Date**").

Each Bond will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder, and (b) the day falling seven days after the Fiscal Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

The amount of interest payable on each Interest Payment Date shall be Euro 7.50 in respect of each Calculation Amount. If interest is required to be paid in respect of a Bond on any other date, it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest cent (half a cent being rounded upwards) and multiplying such rounded figure by a fraction equal to the denomination of such Bond divided by the Calculation Amount, where:

"**Calculation Amount**" means Euro 1,000;

"**Day Count Fraction**" means, in respect of any period, the number of days in the relevant period, from (and including) the first day in such period to (but excluding) the last day in such period, divided by the number of days in the Regular Period in which the relevant period falls;

"**Regular Date**" means 14 April in any year; and

"**Regular Period**" means each period from (and including) any Regular Date to (but excluding) the next Regular Date.

**5 Redemption and Purchase**

The Bonds may not be redeemed otherwise than in accordance with this Condition 5 (*Redemption and Purchase*).

(a) **Final redemption:** Unless previously redeemed, or purchased and cancelled as provided below, the Bonds will be redeemed at their principal amount on 14 April 2027 (the "**Maturity Date**").

(b) **Redemption for taxation reasons:**

(i) If, by reason of any change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after 14 October 2016, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Bonds or the Coupons not be able to make such payment without having to pay additional amounts as specified under Condition 7 (*Taxation*) below, the Issuer may, at any time, subject to having given not more than 60 nor less than 30 calendar days' prior notice to the Bondholders (which notice shall be irrevocable), in accordance with Condition 13 (*Notices*), redeem all, but not some only, of the Bonds at their principal amount together with accrued interest to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

(ii) If the Issuer would on the occasion of the next payment of principal or interest in respect of the Bonds be prevented by French law or regulation from making payment to the Bondholders or the Couponholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7 (*Taxation*) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall forthwith redeem all, but not some only, of the Bonds then outstanding at their principal amount plus any accrued interest thereon to the date set for redemption, upon giving not less than seven, nor more than 30 calendar days' irrevocable notice to the Bondholders in accordance with Condition 13 (*Notices*), provided that the due date for redemption of which notice hereunder shall be given, shall be the latest practicable date on which the Issuer could make payment without withholding for French taxes or, if such date is past, as soon as practicable thereafter.

(c) **Redemption upon a Change of Control:**

(i) If at any time while any Bond remains outstanding there occurs a Change of Control (as defined below) and (i) within the Change of Control Period a Rating Downgrade (as defined below) occurs as a result of such Change of Control or (ii) within the Potential Change of Control Period (as defined below) a Rating Downgrade occurs as a result of a Potential Change of Control or a Change of Control (each of (i) and (ii) a "**Put Event**"), the holder of each Bond will have the option (the "**Put Option**") (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice to redeem the Bonds under Condition 5(b) (*Redemption for taxation reasons*)) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of that Bond on the Optional Redemption Date (as defined below) at its principal amount together with (or where purchased, together with an amount equal to) interest accrued to but excluding the Optional Redemption Date.

A "**Change of Control**" shall be deemed to have occurred at each time that any person or persons acting in concert (other than a Permitted Holding Company (as defined below) acting alone or in concert) comes(s) to own or acquire(s) such number of shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer.

"**Change of Control Period**" means the period commencing on the date of the first public announcement of the result (*avis de résultat*) by the *Autorité des marchés financiers* ("**AMF**") of the relevant Change of Control and ending on the date which is 90 calendar days thereafter (inclusive).

"**Potential Change of Control Period**" means the period commencing 120 calendar days prior to the date of the first public announcement of the result (*avis de résultat*) by the AMF of the relevant Change of Control and ending on the date of such announcement (inclusive).

"**Permitted Holding Company**" means each and any company or other legal entity whose share capital (or equivalent) and associated voting rights are controlled (within the meaning of article L 233-3 of the French *Code de Commerce*) by Pierre Bellon and his children and/or any of his heirs, successors and/or beneficiaries through which any or all such persons at any time hold directly or indirectly shares in the capital of the Issuer.

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control or Potential Change of Control if within the Change of Control Period or Potential Change of Control Period, as the case may be, the rating previously assigned to the Bonds by any rating agency solicited by the Issuer is (x) withdrawn or (y) changed from an investment grade rating (BBB-, or its equivalent for the time being, or better) to a non-investment grade rating (BB+, or its equivalent for the time being, or worse) or (z) if the rating previously assigned to the Bonds by any rating agency solicited by the Issuer was below an investment grade rating (as described above), lowered by at least one full rating notch (for example, from BB+ to BB; or their respective equivalents), provided that (i) a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control or Potential Change of Control, as the case may be, if the rating agency does not publicly announce or publicly confirm that the reduction was the result of the Change of Control or Potential Change of Control, as the case may be, and (ii) any Rating Downgrade must have been confirmed in a letter or other form of written communication sent to the Issuer and publicly disclosed.

"**Potential Change of Control**" means any public announcement or statement by the Issuer or any actual or potential bidder relating to any potential Change of Control of the Issuer.

(ii) Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a "**Put Event Notice**") to the Bondholders in accordance with Condition 13 (*Notices*) specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Condition 5(c) (*Redemption Upon a Change of Control*).

(iii) To exercise the Put Option to require redemption or, as the case may be, purchase of the Bonds under this Condition 5(c) (*Redemption Upon a Change of Control*), a Bondholder must deliver such Bonds together with all Coupons relating thereto which mature after the date fixed for redemption within the period (the "**Put Period**") of 45 calendar days after a Put Event Notice is given, to any Paying Agent together with a duly completed redemption notice in the form obtainable from any Paying Agent (a "**Put Option Notice**") and in which the holder may specify a bank account to which payment is to be made under this Condition 5(c) (*Redemption Upon a Change of Control*).

A Put Option Notice once given shall be irrevocable. The Issuer shall redeem or, at the option of the Issuer procure the purchase of, the Bonds in respect of which the Put Option has been validly exercised as provided above and subject to the delivery of the Bonds to any Paying Agent as described above on the date which is the fifth Business Day following the end of the Put Period (the "**Optional Redemption Date**").

Payment in respect of such Bonds will be made on the Optional Redemption Date by transfer to the bank account specified in the Put Option Notice and otherwise subject to the provisions of Condition 6 (*Payments*).

(d) **Pre-Maturity Call Option:** The Issuer may, at its option, from and including 3 months before the Maturity Date to but excluding the Maturity Date, subject to having given not more than 60 nor less than 30 calendar days prior notice to the Bondholders in accordance with Condition 13 (*Notices*) (which notice shall be irrevocable), redeem the outstanding Bonds, in whole or in part, at their principal amount plus accrued interest up to but excluding the date fixed for redemption.

(e) **Make-Whole Redemption by the Issuer:** The Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and subject to having given (i) not more than 30 nor less than 15 calendar days' prior notice to the Bondholders in accordance with Condition 13 (*Notices*) (ii) not less than 15 calendar days before the giving of the notice referred to in (i) above, notice to the Fiscal Agent and the Calculation Agent (which notices shall be irrevocable), have the option to redeem the Bonds, in whole or in part, at any time prior to their Maturity Date (the "**Optional Make Whole Redemption Date**") at their Optional Redemption Amount (as defined below) together with any accrued and unpaid interest up to, but excluding, the Optional Make Whole Redemption Date and any additional amounts.

The Optional Redemption Amount will be calculated by the Calculation Agent and will be an amount in Euro rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) 100 per cent. of the principal amount of the Bonds so redeemed and (y) the sum of the then present values on the relevant Optional Make Whole Redemption Date of (i) the principal amount of each Bond (as defined below) and (ii) the remaining scheduled payments of interest on such Bond for the remaining term of such Bond (determined on the basis of the interest rate applicable to such Bond (excluding any interest accruing on such Bond to, but excluding, such Optional Make Whole Redemption Date)), discounted from the Maturity Date to such Optional Make Whole Redemption Date on an annual basis at the Early Redemption Rate plus the Early Redemption Margin, plus in each case (x) or (y) above, any interest accrued on the Bonds to, but excluding the Optional Make Whole Redemption Date.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties. The Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Bondholders.

For this purpose of this Condition 5(e) (*Make-Whole Redemption by the Issuer*):

"**Business Day**" means a day on which (i) Euroclear and Clearstream are open for business, (ii) commercial banks and foreign exchange markets are open for general business in Paris, London and Luxembourg, and (iii) on which the TARGET System is operating, and "**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto.

"**Early Redemption Margin**" means 0.10 per cent. *per annum*.

"**Early Redemption Rate**" means the average of the four (4) quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security on the fourth Business Day in Paris preceding the relevant Optional Make Whole Redemption Date at 11.00 a.m. (Central European time (CET)).

If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent after prior consultation with the Issuer if practicable under the circumstances, at 11.00 a.m. (Central European time (CET)) on the fourth Business Day in Paris preceding the Optional Make Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer.

"**Reference Benchmark Security**" means the EUR 8,730,000,000 0.250 per cent. French government bond (OAT) due November 2026 with ISIN FR0013200813.

"**Reference Dealers**" means each of the four banks (that may include the Managers of the issue), selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

"**Similar Security**" means a reference bond or reference bonds issued by the French Republic having an actual or interpolated maturity comparable with the remaining term of the Bonds that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds.

For the purposes of Conditions 5(d) (*Pre-Maturity Call Option*) and 5(e) (*Make-Whole Redemption by the Issuer*), in the case of a partial redemption, the redemption may be effected, at the option of the Issuer, (i) by reducing the nominal amount of all such Bonds in proportion to the aggregate nominal amount redeemed, or (ii) by redeeming in full only part of such Bonds by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law.

So long as the Bonds are admitted to trading on Euronext Paris and the rules of that stock exchange so require, the Issuer shall, each year in which there has been a partial redemption of the Bonds, cause to be published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers*, a notice specifying the aggregate nominal amount of Bonds outstanding.

(f) **Squeeze-out Call Option:** In the event that eighty (80) per cent. or more in initial aggregate nominal amount of the Bonds (including any further bonds to be consolidated and form a single series with the Bonds pursuant to Condition 12 (*Further Issues*)) have been redeemed and cancelled, the Issuer may, at its option, subject to having given not more than sixty (60) nor less than thirty (30) days' prior notice to the Bondholders in accordance with Condition 13 (*Notices*) (which notice shall be irrevocable), redeem the outstanding Bonds, in whole but not in part, at their principal amount plus accrued interest up to but excluding the date fixed for redemption, provided that those Bonds which are no longer outstanding have not been redeemed (and subsequently cancelled) by the Issuer at the option of the Issuer pursuant to Condition 5(e) (*Make-whole Redemption by the Issuer*).

(g) **Notice of redemption and drawings**: All Bonds in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition. In the case of a partial redemption the notice shall also contain the serial numbers of the Bonds to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(h) **Purchase:** The Issuer and any Subsidiary of the Issuer may at any time purchase Bonds in the open market or otherwise at any price. The Bonds so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Bondholders or for the purposes of Condition 11(a) (*Meetings of Bondholders*).

(i) **Cancellation:** All Bonds redeemed or purchased by or on behalf of the Issuer, and any unmatured Coupons attached to or surrendered with them, will, unless otherwise permitted by applicable law, be cancelled and may not be re-issued or resold. However, any Bonds (including any unmatured Coupons attached thereto) purchased by a Subsidiary of the Issuer acting for its own account and not on the Issuer's behalf shall not be required to be cancelled.

## 6 Payments

(a) **Method of Payment:** Payments of principal and interest will be made in euro against presentation and surrender (or, in the case of a partial payment, endorsement) of Bonds or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent by a cheque payable in euro drawn on, or, at the option of the payee, by transfer to a euro-denominated account maintained by the payee with, a bank in a city in which banks have access to the TARGET System (as defined above). Payments of interest due in respect of any Bond other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Bond.

(b) **Payments subject to laws:** All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*). No commissions or expenses shall be charged to the Bondholders or Couponholders in respect of such payments.

(c) **Surrender of Unmatured Coupons:** Each Bond should be presented for redemption together with all unmatured Coupons relating to it, failing which the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (as defined in Condition 7 (*Taxation*)) for the relevant payment of principal.

(d) **Payments on business days:** If any due date for payment of principal or interest or any other amount in respect of any Bond is not a Business Day (as defined in Condition 5(e) (*Make-whole Redemption by the Issuer*) above), then the holder thereof shall not be entitled to payment of the amount due until the next following day which is a Business Day and the holder shall not be entitled to any interest or other sums in respect of such postponed payment. In addition, a Bond or Coupon may only be presented for payment on a day on which commercial banks and foreign exchange markets are open in the place of presentation. No further interest or other payment will be made as a consequence of the day on which the relevant Bond or Coupon may be presented for payment under this paragraph falling after the due date.

(e) **Paying Agents:** The names of the initial Fiscal Agent and initial Paying Agents and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and appoint another Fiscal Agent and additional or other Paying Agents or agree to any change in the office through which the Fiscal Agent or any Paying Agent acts, provided that, so long as any of the Bonds or Coupons are outstanding, it will maintain (i) a Fiscal Agent and (ii) Paying Agents having specified offices in at least two major European cities (including Paris, so long as the Bonds are admitted to trading on Euronext Paris). Notice of any change in the Paying Agents or their specified offices will be given promptly to the Bondholders in accordance with Condition 13 (*Notices*).

Names and specified offices of Fiscal Agent and Paying Agents:

**Fiscal Agent:**
**BNP Paribas Securities Services, Luxembourg Branch**
60, Avenue J. F. Kennedy
L -2085 Luxembourg
Luxembourg

**Paying Agent:**
**BNP Paribas Securities Services**
Les Grands Moulins de Pantin
9, rue de Débarcadère
93500 Pantin
France

## 7 Taxation

(a) **Tax exemption:**

All payments of principal, interest and other assimilated revenues in respect of the Bonds by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law.

(b) **Additional amounts:**

If French law should require that payments of principal, interest and other assimilated revenues by or on behalf of the Issuer in respect of any Bond or Coupon be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the Republic of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Bond or Coupon, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Bond or Coupon presented for payment:

(i) **Other connection:** by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Bond or Coupon; or

(ii) **Presentation more than 30 calendar days after the Relevant Date:** more than 30 calendar days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Bond or Coupon for payment on the last day of such period of 30 calendar days; or

(iii) **Payment by another Paying Agent:** by or on behalf of a Bondholder or a Couponholder who would have been able to avoid such withholding or deduction by presenting the relevant Bond or Coupon to another Paying Agent in a Member State of the European Union.

"**Relevant Date**" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Fiscal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders in accordance with Condition 13 (*Notices*). Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition.

**8 Events of Default**

If any of the following events (each an "**Event of Default**") occurs and is continuing:

(a) **Non-Payment:** any amount of principal of, or interest on any Bond is not paid on the due date thereof and such default is not remedied within a period of 15 calendar days from such due date; or

(b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under the Bonds, which default:

(i) is incapable of remedy; or

(ii) in the case where it is capable of remedy, is not remedied within 30 calendar days after written notice of such default shall have been given to the Fiscal Agent at its specified office by any Bondholder; or

(c) **Cross-Default:** (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries (as defined below) for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual default or event of default, or (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds Euro 75,000,000 or its equivalent in any other currency; or

(d) **Insolvency**: if the Issuer makes any proposal for a general moratorium in relation to its debt or enters into an amicable procedure (*procédure de conciliation*) with its creditors or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole of its business (*cession totale de l'entreprise*) or, to the extent permitted by applicable law, if it is subject to any other insolvency or bankruptcy proceedings or if it makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors; or

(e) **Winding-up**: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer, or the Issuer ceases or threatens to cease to carry on all or a material part of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Bondholders; or

(f) **Adverse Rating Action**: if there shall be an adverse rating action (such as a downgrading or placing on "creditwatch" or placing on "negative outlook") in respect of the Bonds by S&P, as the sole result of the Guarantee being revoked, terminated or no longer in force in each case solely by agreement between the Issuer and Sodexo Inc., parties to the Guarantee, and not as a result of the operation of law,

then any Bond may, by notice in writing given to the Fiscal Agent at its specified office by the holder, be declared immediately due and payable whereupon it shall become immediately due and payable at its principal amount together with accrued interest without further formality unless such event of default shall have been remedied prior to the receipt of such notice by the Fiscal Agent.

For the purpose of this Condition 8 (*Events of Default*), "**Material Subsidiary**" means, at any time, a Subsidiary of the Issuer:

(a) whose revenues (excluding intra-Group items) then accounts for at least 10 per cent. of the consolidated revenues of the Group; or

(b) whose Operating Profit (excluding intra-Group items) then accounts for at least 10 per cent. of the consolidated Operating Profit of the Group; or

(c) whose gross assets (excluding intra-Group items) then accounts for at least 10 per cent. of the consolidated gross assets of the Group.

For this purpose:

(i) the revenues, Operating Profit or gross assets of a Subsidiary of the Issuer will be determined from its financial statements (on an unconsolidated basis) upon which the latest audited financial statements of the Group have been based;

(ii) if a Subsidiary of the Issuer becomes a member of the Group after the date on which the latest audited financial statements of the Group have been prepared, the revenues, Operating Profit or gross assets of that Subsidiary will be determined from its latest financial statements;

(iii) the revenues, Operating Profit or gross assets of the Group will be determined from its latest audited or half yearly financial statements; and

(iv) if a Material Subsidiary disposes of all or substantially all of its assets to another Subsidiary of the Issuer, it will immediately cease to be a Material Subsidiary and the other Subsidiary (if it is not already) will immediately become a Material Subsidiary; the subsequent financial statements (audited or half yearly) of those Subsidiaries and the Group will be used to determine whether those Subsidiaries are Material Subsidiaries or not.

If there is a dispute as to whether or not a company is a Material Subsidiary, a certificate of the auditors of the Issuer will be, in the absence of manifest error, conclusive.

For the purpose of these Conditions:

"**Subsidiary**" means any company or corporation:

(a) which is controlled, directly or indirectly, by the first-mentioned company or corporation;

(b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or

(c) which is a subsidiary of another subsidiary of the first-mentioned company or corporation.

"**Operating Profit**" means the *«résultat opérationnel consolidé»* (as determined in accordance with IFRS) as shown in the consolidated accounts of the Group for that period excluding for the avoidance of doubt any charge for amortisation of goodwill (*amortissement d'écarts d'acquisition*).

"**Group**" means, at any time, the Issuer and its subsidiaries taken as a whole.

"**IFRS**" means the International Financial Reporting Standards (formerly International Accounting Standards) issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee (as amended, supplemented or re-issued from time to time).

"**Guarantee**" means the agreement dated 5 March 2002 as amended, between the Issuer and Sodexo Inc., a U.S. subsidiary of the Issuer, pursuant to which Sodexo Inc. has agreed, for the sole benefit of the Issuer, that if the Issuer fails to pay amounts due by it under, *inter alia*, the Bonds, Sodexo Inc. will pay such amounts.

**9 Prescription**

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 6 (*Payments*) within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

**10 Replacement of Bonds and Coupons**

If any Bond or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice).

Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

**11 Meetings of Bondholders and Modification**

(a) **Meetings of Bondholders:** The Fiscal Agency Agreement contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions. Such a meeting may be convened by Bondholders holding not less than 10 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the maturity of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, or interest on the Bonds, (iii) to change the currency of payment of the Bonds or the Coupons, or (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Fiscal Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

(b) **Modification of Fiscal Agency Agreement and Conditions:** The Fiscal Agency Agreement and/or the Conditions may be amended by the parties to the Fiscal Agency Agreement, without the consent of the Bondholders or the Couponholders, for the purpose of curing any ambiguity or which is of a formal, minor or technical nature or is made to correct a manifest error provided that to do so would not reasonably be expected to be prejudicial to the interests of the Bondholders and/or Couponholders. Any such amendment shall be notified to the Bondholders as soon as reasonably practicable thereafter in accordance with Condition 13 (*Notices*).

### 12 Further Issues

The Issuer may from time to time without the consent of the Bondholders or Couponholders create and issue further securities either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further issues shall be issued pursuant to an agreement supplemental to the Fiscal Agency Agreement.

### 13 Notices

Notices to Bondholders will be valid if published on the website of the Issuer (www.sodexo.com) and otherwise in accordance with the rules of any relevant stock exchange from time to time. Any such notice shall be deemed to have been given on the date of such publication on the website of the Issuer. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with this Condition.

### 14 Contracts (*Rights of Third Parties*) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (*Rights of Third Parties*) Act 1999.

### 15 Governing Law

(a) **Governing Law:** The Fiscal Agency Agreement, the Bonds and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.

(b) **Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Bonds or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Bonds or the Coupons ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Bondholders and Couponholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) **Agent for Service of Process:** The Issuer irrevocably appoints Sodexo Holdings Ltd, One Southampton Row, WC1B 5HA, London, United Kingdom, as its agent in England to receive service of process in any Proceedings in England based on any of the Bonds or the Coupons. If for any reason the Issuer does not have such an agent in England, it will promptly appoint a substitute process agent and notify the Bondholders and Couponholders of such appointment. Nothing herein shall affect the right to serve process in any other manner permitted by law.

## USE OF PROCEEDS

The proceeds of the issue of the Bonds will be used for the Group's general corporate purposes, including any potential refinancing of the Group's existing debt.

## RECENT DEVELOPMENTS

- On 30 May 2017, the Issuer published the following press release:

# "Michel Landel announces his intention to retire as CEO of Sodexo in January 2018;

# Sodexo's Board of Directors appoints Denis Machuel as his successor

**Paris, France, May 30, 2017** – On behalf of Sodexo's Board of Directors, Chairwoman Sophie Bellon today announced the appointment of Denis Machuel, currently CEO of Benefits & Rewards Services and Personal & Home Services, and Group Chief Digital Officer, to succeed Michel Landel as CEO and Chairman of the Executive Committee in January 2018. Michel Landel has announced his intention to retire and will step down as of the Annual General Shareholders' Meeting on January 23, 2018. To ensure a smooth transition, Denis Machuel will become Deputy CEO of Sodexo as of September 1, 2017. He will work alongside Michel Landel, who retains full executive responsibility for Sodexo's strategy and management during the period leading up to January 23, 2018. Michel Landel will remain on the Board of Directors for the duration of his term, until January 2020.

**Sophie Bellon said:** "*During his tenure as CEO, Michel built on our strong foundations and pursued Sodexo's international development, driving the Group's transformation to become the world leader in Quality of Life Services. On behalf of the entire Sodexo community, I would like to sincerely thank Michel for all he has done over the past 12 years. Under his leadership the Group's revenues have grown by more than 70%, our operating profit has more than doubled and net profit more than tripled. At the same time Sodexo has elevated its position as a leader in corporate responsibility; the Group has been the top-rated company in its sector for the past 12 years in the Dow Jones Sustainability Index.*"

"*The Board of Directors and I are very pleased to appoint Denis Machuel to succeed Michel as CEO. Denis has a deep knowledge of our activities and strong international experience. He has successfully managed a global business to deliver profitable growth. His vision is aligned with Sodexo's long-term strategy and mission to improve Quality of Life, and he embodies the Group's values: Service Spirit, Team Spirit, Spirit of Progress.*"

**Michel Landel said:** "*Having worked with Denis for the past ten years, both as a member of Sodexo's Executive Committee and in a succession of expanding roles within the business, I am confident he is the right person to take Sodexo forward in the next phase of the company's development and to continue to grow our business. He is a strong leader with proven experience developing a business which is undergoing digitalization and disruption. In addition, he will be able to count on the support of a strong, international leadership team which is united around driving performance and identifying future growth opportunities for the Group.*"

**Denis Machuel said:** "*I am extremely honored and enthusiastic to be entrusted with this mission. I would like to thank Sophie, Michel and the Board for their confidence in me. Leading Sodexo's 425,000 team members to best serve our clients and consumers around the world is an inspiring challenge.*"

## About Sodexo

Founded in 1966 by Pierre Bellon, Sodexo is the global leader in services that improve Quality of Life, an essential factor in individual and organizational performance. Operating in 80 countries, Sodexo serves 75 million consumers each day through its unique combination of On-site Services, Benefits and Rewards Services and Personal and Home Services. Through its more than 100 services, Sodexo provides clients an integrated offering developed over 50 years of experience: from food services, reception, safety, maintenance and cleaning, to facilities and equipment management; from Meal Pass, Gift Pass and Mobility Pass benefits for employees to in-home assistance, child care centers and concierge services. Sodexo's success and performance are founded on its independence, its sustainable business and financial model and its ability to continuously develop and to engage the commitment of its 425,000 employees throughout the world.
Sodexo is a member of the CAC 40 and DJSI Indices.

## Key figures (as of August 31, 2016)

**20.2 billion** euro in consolidated revenues
**425,000** employees
**19th** largest employer worldwide
**80** countries
**75 million** consumers served daily
**17.3 billion** euro in market capitalization (as of April 12, 2017)

## Contacts

| Media | Investors |
|---|---|
| **Laura Schalk**<br>Tel: +33 1 57 75 85 69<br>laura.schalk@sodexo.com | **Virginia Jeanson**<br>Tel: +33 1 57 75 80 56<br>virginia.jeanson@sodexo.com |
| **Elsa Mélique**<br>Tel: +33 1 57 75 80 21<br>elsa.melique@sodexo.com | |

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- On 6 July 2017, the Issuer published the following press release:

## "Sodexo: operating profit guidance maintained despite mixed revenue performance in Q3 2017

**Issy-les-Moulineaux, July 06, 2017 –** Sodexo (NYSE Euronext Paris: FR 0000121220 - OTC: SDXAY), world leader in Quality of Life Services, today reported its non-audited revenues for the first nine months of Fiscal 2017, which ended on May 31, 2017.

- *Revenue organic growth*[1] *was up +0.5% and +1.3%* **excluding Rugby World Cup:**
  - ***On-site Services organic growth turned positive at +0.3% as the weight of the base effect of the Rugby World Cup reduces. Excluding this event, the growth was +1.1%.***
    - > ***This reflects a lower than expected Q3 performance, at +1.3%, with***
      - ***Lower than anticipated activity in Health Care and Universities in North America,***
      - ***Corporate Services remained strong in North America and Asia and Latin America but was still weak in Europe,***
      - ***Energy & Resources and Government & Agencies returned to positive growth,***
      - ***More generally, robust growth in Latin America, Brazil and Asia.***
  - ***Benefits & Rewards Services organic growth of +6.1%, reflecting***
    - > ***Strong growth in Europe, and in Incentive & Recognition***
    - > ***An improving underlying trend in Latin America in Q3 masked by the effect of the Venezuelan bolivar devaluation.***
- *Fiscal 2017 guidance:*
  - ***Revenue organic growth of +1.5% to +2%***
  - ***Growth in operating profit confirmed at between 8% and 9% (excluding currency effect and exceptional expenses linked to the Adaptation and Simplification program).***
- *Medium-term objectives confirmed.*

[1] Organic growth is defined as growth at constant exchange rates (converting 9M Fiscal 2017 figures at Fiscal 2016 rates) and consolidation scope, except for Benefits & Rewards in Venezuelan Bolivar. All Fiscal 2017 and Fiscal 2016 figures in VEF have been converted at the exchange rate of USD 1 = VEF 2010 vs. VEF 645 for FY 2016.

## Revenues by activity and global client segment 9M Fiscal 2017:

| **Revenues** *(in millions of euro)* | **9M Fiscal 2017** | 9M Fiscal 2016 | **Organic growth** | **Published growth** |
|---|---|---|---|---|
| Business & Administrations | **7,883** | **7,869** | **-0.5%** | **+0.2%** |
| Health Care & Seniors | **3,759** | **3,647** | **+1.9%** | **+3.1%** |
| Education | **3,673** | **3,622** | **+0.2%** | **+1.4%** |
| **Total On-site Services** | **15,314** | **15,137** | **+0.3%** | **+1.2%** |
| **Total Benefits & Rewards Services** | **673** | **576** | **+6.1%** | **+16.9%** |
| Elimination of intra-group revenues | (3) | (4) | | |
| **TOTAL GROUP** | **15,984** | **15,709** | **+0.5%** | **+1.7%** |

*Commenting on these figures, Sodexo CEO Michel Landel said:*

*"The Q3 revenue performance was in line with Q2 but disappointing, particularly in Health Care and Universities in North America and Business & Administrations in Europe.*

*On the other hand in other areas, the recovery is coming through. Energy & Resources has turned positive in Q3. France is improving and Asia and Latin America, and in particular Brazil, continue to be strong.*

*We are confident in the acceleration of revenue growth in Q4, given the recent contract start-ups and a significant calendar effect in North America.*

*As a result, whereas revenue growth will be softer than expected this year, we maintain our objective of growth in operating profit of between +8% to +9% for this fiscal year, excluding currencies and before exceptional expenses."*

# Highlights of the period

- 9M Fiscal 2017 Revenues amounted to 16 billion euro, up +1.7% on the previous year period. Currencies contributed +0.8% and net acquisitions +0.4%. So, organic growth was +0.5%, or +1.3% excluding effect of the Rugby World Cup (RWC) in the comparable base.
- Organic growth for the On-site Services activity was +0.3%, or +1.1% excluding the RWC impact:
  - **Business & Administrations** organic growth of **-0.5%, or +1.1%** excluding the RWC, accelerated quarter on quarter. This reflects a return to positive growth in Energy & Resources of +4.3% in Q3, an improving trend in France, due to an easier comparable base in the tourist activities and Government & Agencies. In Corporate Services, activity was solid with high single digit growth in North America and the developing economies more than offsetting weakness in Europe.
  - The strong trend in **Health Care & Seniors** in the first half was offset somewhat by organic growth turning negative in Q3 in North America resulting in an organic growth

at **+1.9%** for the period. This was due to lower comparable unit sales linked to scope and services changes in a few large contracts and the impact of phasing difference in new business. Development in Asia and Brazil remained strong. In Europe, bidding opportunities remain highly competitive in Hospitals; however Seniors development has been better in Q3.

- **Education** organic growth was positive at **+0.2%.** Schools activity is benefiting from strong retention and development in all regions. The Universities activity is more challenging, particularly in North America where growth was suffering from the lack of prior year signatures. In Q3, same site sales growth reflected a positive calendar shift from Q2, lower than expected student spend and the accelerated exit of a large contract in Q2.

- First 9M Fiscal 2017 organic revenue growth in the **Benefits & Rewards Services** was **+6.1%**. Growth in Europe, Asia and the USA remained strong through to the end of the period at +9.8%, reflecting solid growth in both the number of beneficiaries and face values, and good momentum in the Incentive and Recognition activity. In Latin America, organic growth was +2.1% for the period. The apparent slowdown in Q3 reflects the impact of the Venezuelan devaluation at the end of May, masking signs of stabilization in Brazil and continued strong growth in Mexico and Chile.

# Outlook

Revenue growth in Q3 was disappointing due to lower than expected activity in Health Care and Universities in North America and continued weakness in Corporate services in Europe. However, Energy & Resources has turned positive, the trend in France is improving and developing economies are growing well.

The expected acceleration in Q4 is also still on track with:

- A return to growth in France,
- Further acceleration in Energy & Resources,
- The calendar effect in North America,
- Contribution of contract startups in May and June 2017.

As a result, while revenue growth may be softer than previously anticipated, between +1.5% and +2%, operating profit growth before currencies and exceptional items should still be between +8% to +9%.

Long-term trends remain positive with further significant opportunity in outsourcing and contract consolidation, growth in developing economies, strong potential of the new segment organization and increased contribution from acquisitions. The Group confirms its mid-term objectives of:

- **Average annual revenue growth, excluding currency effect, of between +4% and +7%;**
- **Average annual growth in operating profit, excluding currency effect, of between +8% and +10%.**

# Conference call

**Sodexo will hold a conference call (in English) today at 9:00 a.m.** (Paris time), to comment on its revenues for the first nine months of fiscal 2017. Those who wish to connect from UK may dial + 44(0)20 3427 1905 or from France +33(0)1 76 77 22 30 following by the pass code **34 49 694.** The presentation can be followed via live webcast on the Group website, www.sodexo.com.

The **press release, presentation and webcast will be available on the Group website www.sodexo.com** in both the "Latest News" section and the "Finance - Financial Results" section.

# Financial calendar

| | |
|---|---|
| Annual results, Fiscal 2017 | November 16, 2017 |
| 1st quarter revenues, Fiscal 2018 | January 11, 2018 |
| Annual Shareholders' Meeting 2018 | January 23, 2018 |

## About Sodexo

Founded in Marseille in 1966 by Pierre Bellon, Sodexo is the global leader in services that improve Quality of Life, an essential factor in individual and organizational performance. Operating in 80 countries, Sodexo serves 75 million consumers each day through its unique combination of On-site Services, Benefits and Rewards Services and Personal and Home Services. Through its more than 100 services, Sodexo provides clients an integrated offering developed over 50 years of experience: from foodservices, reception, maintenance and cleaning, to facilities and equipment management; from Meal Pass, Gift Pass and Mobility Pass benefits for employees to in-home assistance, child care centers and concierge services. Sodexo's success and performance are founded on its independence, its sustainable business model and its ability to continuously develop and engage its 425,000 employees throughout the world.

Sodexo is included in the CAC 40 and DJSI indices.

## Key figures (as of August 31, 2016)

**20.2 billion** euro in consolidated revenues

**425,000** employees

**19th** largest employer worldwide

**80** countries

**75 million** consumers served daily

**17.1 billion** euro in market capitalization (as of July 5, 2017)

**Forward-looking statements**

This press release contains statements that may be considered as forward-looking statements and as such may not relate strictly to historical or current facts. These statements represent management's views as of the date they are made and Sodexo assumes no obligation to update them. The reader is cautioned not to place undue reliance on these forward-looking statements. Figures have been prepared in thousands of euro and published in millions of euro.

Contacts


| Analysts and Investors | Media |
|---|---|
| **Virginia Jeanson** | **Laura Schalk** |
| Tel: +33 1 57 75 80 56 | Tel: +33 1 57 75 85 69 |
| virginia.jeanson@sodexo.com | laura.schalk@sodexo.com |


# ACTIVITY REPORT FOR FIRST NINE MONTHS FISCAL 2017

## Operating profit guidance maintained despite mixed revenue performance in Q3 2017

## Contract wins

Due to a slow start to contract signatures in the First Half, Q3 was a busy quarter for start-ups which should therefore contribute to the acceleration in growth in revenue in Q4.

Further recent significant signatures in On-site Services include:

- A pick up in France, with multi-service contracts signed for The Camp in Aix-en-Provence and the Arena in Aix-en-Provence and food services contracts for the Bordeaux Metropole Arena and for the new Groupama Campus in La Défense.
- Several large food services contracts for Citadel University in the USA, Clifton College in the UK and CHIREC Hospital Group in Belgium.
- Cross-selling contract extensions for Nokia worldwide, Pfizer in India and the US as well as the Makati Medical Center in the Philippines.

## Revenues

Consolidated revenues for the First Nine Months Fiscal 2017 totaled 16 billion euro, up +1.7%. The currency effect contributed +0.8% to reported growth for the period, with the strength in the US dollar and the Brazilian real more than offsetting the decline in Pound

Sterling. Acquisitions net of disposals provided growth of +0.4%. As a result, organic growth was +0.5%.

*Revenues by activity*

| **Revenues** *(in millions of euro)* | **9M Fiscal 2017** | 9M Fiscal 2016 | **Published growth** | **Scope changes** | **Currency effect** | **Organic growth** |
|---|---|---|---|---|---|---|
| Business & Administrations | **7,883** | **7,869** | **+0.2%** | **+0.5%** | **+0.2%** | **-0.5%** |
| Health Care & Seniors | **3,759** | **3,647** | **+3.1%** | **+0.3%** | **+0.8%** | **+1.9%** |
| Education | **3,673** | **3,622** | **+1.4%** | **-** | **+1.2%** | **+0.2%** |
| **Total On-site Services** | **15,314** | **15,137** | **+1.2%** | **+0.3%** | **+0.6%** | **+0.3%** |
| **Total Benefits & Rewards Services** | **673** | **576** | **+16.9%** | **+4.6%** | **+6.1%** | **+6.1%** |
| Elimination of intra-group revenues | (3) | (4) | | | | |
| **TOTAL GROUP** | **15,984** | **15,709** | **+1.7%** | **+0.4%** | **+0.8%** | **+0.5%** |

# Analysis of organic growth in On-site Services

9M Fiscal 2017 On-site Services organic growth was +0.3%, and +1.1% excluding the RWC impact.

## Business & Administrations

### *Revenues*

| *(in millions of euro)* | **9M Fiscal 2017** | 9M Fiscal 2016 | **Organic growth** |
|---|---|---|---|
| North America | 1,848 | 1,729 | +3.6% |
| Europe | 3,928 | 4,274 | -5.4% |
| Africa, Asia, Australia, Latin America, Middle East | 2,107 | 1,866 | +7.0% |
| **Total Business & Administrations** | **7,883** | **7,869** | **-0.5%** |

9M Fiscal 2017 On-site Services revenues in **Business & Administrations** totaled 7.9 billion euro, down organically by -0.5% compared with 9M Fiscal 2016 which benefited from the RWC, or +1.1% excluding the RWC.

Organic growth in **North America** was **+3.6%** due to high single digit growth in Corporate Services, supported by development of Facilities management services and a return to growth in Government & Agencies in Q3.

**Europe** was down **-5.4%.** Half of the decline was due to the RWC effect. With no signs of improvement in the North Sea oil and gas segment Energy & Resources continued to decline 16%. Corporate services remains lackluster throughout the region, with weak comparable unit sales. On the other hand, the French activities are benefitting from an easier comparable base. In the Justice segment the impact of the loss of a large contract in January 2016 is now over. The tourism activities are better than previous year, even though they are not yet back up to 2015 levels.

In **Africa, Asia, Australia, Latin America and the Middle East**, organic growth of **+7.0%** reflects continued strong growth in Corporate Services thanks to new contracts in all the regions, and a return to growth in Energy & Resources due principally to contract start-ups and some improvement in the mining and onshore activities. The offshore activity remains difficult.

Health Care & Seniors

### *Revenues*

| *(in millions of euro)* | **9M Fiscal 2017** | 9M Fiscal 2016 | **Organic growth** |
|---|---|---|---|
| North America | 2,479 | 2,363 | +2.7% |
| Europe | 1,103 | 1,143 | -1.0% |
| Africa, Asia, Australia, Latin America, Middle East | 177 | 141 | +12.7% |
| **Total Health Care & Seniors** | **3,759** | **3,647** | **+1.9%** |

In **Health Care & Seniors**, revenues totaled 3.8 billion euro, with organic growth at +1.9%.

Organic growth in **North America** was **+2.7%,** reflecting a significant slowdown in Q3 due to lower comparable unit sales linked to scope and service changes in a few large contracts and phasing differences in new business.

The **-1.0%** decline in **Europe** reflects the lack of net new business in hospitals in France and the UK due to much greater selectivity in bidding. On the other hand, there has been some good new development in Seniors in Q3 and the focus on developing Facilities Management services is creating more opportunities for cross-selling.

In **Africa, Asia, Australia, Latin America and the Middle East**, growth in the segment is strong at **+12.7%** boosted by strong growth in Latin America and particularly in Brazil due to multiple contract wins and increased same site sales.

Education

### *Revenues*

| *(in millions of euro)* | 9M Fiscal 2017 | 9M Fiscal 2016 | Organic growth |
|---|---|---|---|
| North America | 2,871 | 2,809 | +0.1% |
| Europe | 744 | 761 | -0.3% |
| Africa, Asia, Australia, Latin America, Middle East | 58 | 51 | +10.9% |
| **Total Education** | **3,673** | **3,622** | **+0.2%** |

In **Education**, revenues for the first nine months Fiscal 2017 amounted to 3.7 billion euro, up organically by +0.2%.

**North America** organic growth was **+0.1%**. On the one hand, Schools generated solid growth with the extension of the Chicago Public Schools contract, the ramp-up of the new Washington DC Schools contract and solid retention. On the other hand, in Universities, growth is suffering from the lack of prior year signatures. In Q3, despite a positive calendar shift from Q2, growth was weaker than anticipated due to lower than expected same site sales and the accelerated exit of a large contract in Q2.

In **Europe**, organic growth of **-0.3%** was impacted by a lower number of working days in France, and low prior year development in the UK, compensated in part by high retention in the region.

In **Africa, Asia, Australia, Latin America, and the Middle East**, organic growth was **+10.9%** resulting from very strong growth in new Schools contracts in China, Singapore and India.

By region

| **Revenues**<br>*(in millions of euro)* | 9M Fiscal 2017 | 9M Fiscal 2016 | Published growth | Organic growth |
|---|---|---|---|---|
| North America | **7,199** | 6,901 | **+4.3%** | **+1.9%** |
| Europe | **5,774** | 6,179 | **-6.5%** | **-4.0%** |
| Africa, Asia, Australia, Latin America, Middle East | **2,341** | 2,057 | **+13.8%** | **+7.5%** |
| **Total On-site Services** | **15,314** | **15,137** | **+1.2%** | **+0.3%** |

Note: it is important to note that with the new segment reporting, all Energy & Resources business is now spread across the different regions, whereas previously remote sites was included in Rest of the World. As a result, North America and Europe now have a share of Energy & Resources which weighs on their growth this period, particularly in Europe where Energy & Resources revenues is still down 16%.

In **North America** organic growth of **+1.9%** was supported by high single digit growth in Corporate Services and a return to positive growth in Government & Agencies. On the other hand, lower than expected same site sales in both Health Care and Universities in Q3 severely muted the year to date performance. Energy & Resources declined slightly.

The organic reduction of **-4.0%** in **Europe** reflects a more diluted Rugby World Cup effect, a 16% fall in North Sea Energy & Resources activity and weak Corporate activity. However, the comparable base in France is improving and government and agencies has turned positive in Q3.

**Africa, Asia, Australia, Latam and Middle East** achieved **+7.5%** organic growth. This was a combination of solid new Corporate business in all regions, strong growth in hospitals, particularly in Latin America, and Schools, particularly in Asia, and growth in Energy & Resources helped by substantial contract start-ups. Africa and Middle East remain impacted by the difficult context in the Oil and Gas industry.

## Benefits & Rewards Services

Benefits & Rewards Services revenue amounted to 673 million euro in 9M Fiscal 2017, up +16.9%. Currencies contributed +6.1% to this growth, resulting in particular from the recovery of the Brazilian real. The acquisitions of Inspirus, Xpenditure and iAlbatros contributed a further +4.6% to growth. Organic growth was therefore +6.1%, compared to growth in issue volume[3] also strong at +5.9%.

Issue volume

| *(in millions of euro)* | **9M Fiscal 2017** | 9M Fiscal 2016 | **Organic growth** |
|---|---|---|---|
| Latin America | 5,888 | 4,860 | +6.4% |
| Europe, Asia and USA | 7,659 | 7,336 | +5.6% |
| **Total Issue volume** | **13,547** | **12,196** | **+5.9%** |

Revenues

| *(in millions of euro)* | **9M Fiscal 2017** | 9M Fiscal 2016 | **Organic growth** |
|---|---|---|---|
| Latin America | 321 | 274 | +2.1% |
| Europe, Asia and USA | 352 | 302 | +9.8% |
| **Total revenues** | **673** | **576** | **+6.1%** |

[2] Organic growth is defined as growth at constant exchange rates (converting 9M Fiscal 2017 figures at Fiscal 2016 rates) and consolidation scope, except for Benefits & Rewards in Venezuelan Bolivar. All Fiscal 2017 and Fiscal 2016 figures in VEF have been converted at the exchange rate of USD 1 = VEF 2,010 vs. VEF 645 for FY 2016.

[3] *Issue volume corresponds to the total face value of service vouchers, cards and digitally-delivered services issued by the Group (Benefits & Rewards Services activity) for beneficiaries on behalf of clients.*

Organic growth in **Latin America** is at **+6.4%** for Issue volume and **+2.1%** for revenues**.** Strong growth in issue volume across the region reflected strong demand in most countries, except in Brazil, and increasing face values. Revenue growth remains more subdued due to a highly competitive environment in Brazil. However, in Q3, there were signs of stabilization in Brazil as well as continued growth in the rest of the region. This improvement was masked by the impact of the devaluation of the VEF at the end of May, representing 240 basis points of growth.

In **Europe, Asia and USA,** organic growth in Issue volume and revenues has been strong during the first nine months of the year at **+5.6%** and **+9.8%** respectively. This is due to solid face value increases in Belgium (fully in the comparable base from Q3 Fiscal 2017), strong volume growth in Italy and Central Europe and good momentum in the Incentive and Recognition activity in the USA and the UK (revenues without Issue Volume).

# Alternative Performance Measure Definitions

### Exceptional expenses

Exceptional expenses are the costs of implementation of the Adaptation and Simplification program (€137m in H1 Fiscal 2017 and €108m in Full year Fiscal 2016).

### Growth excluding currency effect

Change excluding currency effect calculated converting 9M 2017 figures at FY 2016 rates, except for countries with hyperinflationary economies. As a result, for Venezuelan Bolivar, 9M Fiscal 2017 and 9M Fiscal 2016 figures in VEF have been converted at the exchange rate of USD 1 = VEF 2,010 vs. VEF 645 for Fiscal 2016.

### Issue volume

Issue volume corresponds to the total face value of service vouchers, cards and digitally-delivered services issued by the Group (Benefits and Rewards Services activity) for beneficiaries on behalf of clients.

### Operating profit before exceptional expenses

Reported Operating Profit excluding exceptional expenses (€137m in H1 Fiscal 2017 and €108m in Full year Fiscal 2016).

### Organic growth

Organic growth corresponds to the increase in revenue for a given period (the "current period") compared to the revenue reported for the same period of the prior fiscal year, calculated using the exchange rate for the prior fiscal year; and excluding the impact of business acquisitions and divestments, as follows:

- for businesses acquired during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- for businesses acquired during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded;
- for businesses divested during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded;
- for businesses divested during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.

For countries with hyperinflationary economies all figures are converted at the latest closing rate for both periods.

As a result, for the calculation of organic growth, Benefits & Rewards figures for 9M 2017 and 9M 2016 in Venezuelan Bolivar, have been converted at the exchange rate of USD 1 = VEF 2,010 vs. VEF 645 for FY 2016.

## Currency effect

Sodexo operates in 80 countries. The percentage of total revenues denominated in the main currencies are as follows:

| (9M 17) | % of revenues |
|---|---|
| U.S. dollar | 43% |
| Euro | 25% |
| UK pound sterling | 8% |
| Brazilian real | 5% |

The currency effect is determined by applying the previous year's average exchange rates to the current year figures except for Benefits & Rewards services in Venezuelan Bolivar.

Exchange rate fluctuations do not generate operational risks, because each subsidiary bills its revenues and incurs its expenses in the same currency.

During 9M Fiscal 2017, the U.S. dollar has strengthened by 2.3% relative to the euro. The Brazilian real has strengthened by 17.3%, boosting in particular the contribution of the Benefits & Rewards activity to revenue. The 10.8% decline in UK sterling against the euro from June 2016, after the Brexit referendum, impacts revenues of the onsite business.

In terms of the Venezuelan Bolivar, the Group considers that the best estimate of the exchange rate at which funds from its activities in Venezuela could be repatriated is the DICOM rate. All 9M Fiscal 2017 and 9M Fiscal 2016 figures in VEF have been converted at the exchange rate of USD 1 = VEF 2,010 vs. VEF 645 for FY Fiscal 2016.

| 1€ = | Average rate 9M Fiscal 17 | Average rate 9M Fiscal 16 | Reference rate FY Fiscal 16 | Change 9M Fiscal 17 vs. Reference Fiscal 16 | Closing rate 31/05 2017 | Closing rates: change 31/05 2017 vs. 2016 |
|---|---|---|---|---|---|---|
| U.S. Dollar | 1.082 | 1.105 | 1.106 | +2.3% | 1.117 | -0.3% |
| Pound Sterling | 0.860 | 0.750 | 0.767 | -10.8% | 0.868 | -12.3% |
| Brazilian Real | 3.469 | 4.219 | 4.069 | +17.3% | 3.651 | +10.0% |

## SUMMARY OF PROVISIONS RELATING TO THE BONDS WHILE REPRESENTED BY THE GLOBAL BONDS

*The following is an overview of the provisions to be contained in the Temporary Global Bond and the Permanent Global Bond (each a "**Global Bond**") in respect of the Bonds which will apply to, and in some cases modify, the Terms and Conditions of the Bonds while the Bonds are represented by the Global Bonds.*

### Exchange

The nominal amount of the Bonds shall be the aggregate amount from time to time entered in the records of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**"). The records of Euroclear and / or Clearstream shall be conclusive evidence of the nominal amount of Bonds represented by the Temporary Global Bond and the Permanent Global Bond and a statement issued by Euroclear and / or Clearstream at any time shall be conclusive evidence of the records of Euroclear and / or Clearstream at that time.

Interests in the Temporary Global Bond will be exchangeable for interests in the Permanent Global Bond on or after 11 September 2017, upon certification as to non-U.S. beneficial ownership.

The Permanent Global Bond will be exchangeable in whole but not in part (free of charge to the holder) for definitive Bonds only if any of the following events occurs (each an "**Exchange Event**"):

(a) if the Permanent Global Bond is held on behalf of Euroclear or Clearstream or on behalf of or any alternative clearing system and any such clearing system is closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(b) if principal in respect of any Bonds is not paid when due and payable.

The Issuer will promptly give notice to Bondholders if an Exchange Event occurs. The holder of the Permanent Global Bond, acting on the instructions of one or more of the Accountholders (as defined below), may give notice to the Issuer and the Fiscal Agent of its intention to exchange the Permanent Global Bond for definitive Bonds on or after the Exchange Date (as defined below).

On or after the Exchange Date, the holder of the Permanent Global Bond may surrender the Permanent Global Bond to, or to the order of, the Fiscal Agent. In exchange for the Permanent Global Bond the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of definitive Bonds (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Bond), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in the Fiscal Agency Agreement. On exchange of the Permanent Global Bond, the Issuer will procure that it is cancelled and the relevant definitive Bonds delivered to, or to the order of, the Fiscal Agent.

For these purposes, "**Exchange Date**" means a day specified in the notice requiring exchange falling not less than 60 calendar days after that on which such notice is given, being a day on which banks are open for general business in the place in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to (b) above, in the place in which the relevant clearing system is located.

### Payments

On and after 11 September 2017, no payment will be made on the Temporary Global Bond unless exchange for an interest in the Permanent Global Bond is improperly withheld or refused. Payments of principal and interest in respect of Bonds represented by a Global Bond will, subject as set out below, be made to its holder. The Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of Euroclear and / or Clearstream and, in the case of payments of principal, the nominal amount of the Bonds will be reduced accordingly. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of Euroclear and / or Clearstream shall not affect such discharge.

### Notices

For so long as all of the Bonds are represented by a Global Bond and such Global Bond is held on behalf of Euroclear and/or Clearstream, notices to Bondholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream (as the case may be) for communication to the relative Accountholders rather than by publication as required by Condition 13 (*Notices*), provided that, if and for so long as the Bonds are admitted to trading on Euronext Paris and the rules of such stock exchange so require, notice will also be given by publication on the website of the Issuer (www.sodexo.com). Any such notice shall be deemed to have been given on the date of such delivery to Euroclear and Clearstream or, where relevant and if later, the date of such publication on the website of the Issuer or, if published more than once or on different dates, on the first date on which such delivery is made.

**Accountholders**

For so long as all of the Bonds are represented by a Global Bond and such Global Bond is held on behalf of Euroclear and/or Clearstream, each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or Clearstream as the holder of a particular principal amount of Bonds (each an "**Accountholder**") (in which regard any certificate or other document issued by Euroclear or Clearstream as to the principal amount of such Bonds standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of that principal amount for all purposes (including but not limited to for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Bondholders) other than with respect to the payment of principal and interest on the principal amount of such Bonds, the right to which shall be vested, as against the Issuer solely in the bearer of the relevant Global Bond in accordance with and subject to its terms. Each Accountholder must look solely to Euroclear or Clearstream, as the case may be, for its share of each payment made to the bearer of the relevant Global Bond.

**Prescription**

Claims against the Issuer in respect of principal and interest on the Bonds represented by a Global Bond will be prescribed (in accordance with Condition 9 (*Prescription*)) after 10 years (in the case of principal) and 5 years (in the case of interest) from the Relevant Date (as defined in Condition 7 (*Taxation*)).

**Cancellation**

On cancellation of any Bond required by the Conditions to be cancelled following its purchase, the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of Euroclear and / or Clearstream and, upon any such entry being made, the nominal amount of the Bonds recorded in the records of Euroclear and / or Clearstream and represented by a Global Bond shall be reduced by the aggregate nominal amount of the Bonds so cancelled.

**Euroclear and Clearstream**

Bonds represented by a Global Bond are transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, as appropriate. References in the Global Bonds and this summary to Euroclear and/or Clearstream shall be deemed to include references to any other clearing system through which interests in the Bonds are held.

The Bonds will be in the form of a New Global Note ("**NGN**"). The Bonds are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Bonds are intended upon issue to be deposited with one of the Clearing Systems as common safekeeper and does not necessarily mean that the Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem, either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as specified by the European Central Bank.

**Call Option**

No drawing of Bonds will be required under Condition 5(h) (*Purchase*) in the event that the Issuer exercises its call option in Condition 5(d) (*Pre-Maturity Call Option*), 5(e) (*Make-whole Redemption by the Issuer*) or 5(f) (*Squeeze-out Call Option*) while the Bonds are represented by a Global Bond in respect of less than the total aggregate principal amount of Bonds outstanding.

**Put Option**

The Bondholders' put option in Condition 5(c) (*Redemption Upon a Change of Control*) may be exercised by the holder of a Global Bond, giving notice to any Paying Agent of the principal amount of Bonds in respect of which the option is exercised and presenting a Global Bond for endorsement of exercise within the time limits specified in Condition 5(c) (*Redemption Upon a Change of Control*).

# TAXATION

*The statements herein regarding taxation are based on the laws in force in France as of the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Bonds.*

*Each prospective holder or beneficial owner of Bonds should consult its tax advisor as to the French tax consequences of any investment in or ownership and disposition of the Bonds.*

## French Taxation

*The following specifically contains information on withholding taxes levied on the income from the Bonds held by Bondholders (i) who do not otherwise hold shares of the Issuer and (ii) who are not related to the Issuer within the meaning of Article 39, 12 of the French* Code général des impôts*. This summary is based on the laws in force in France as of the date of this Prospectus, as applied and construed by the French tax authorities, subject to any changes in law or in interpretation.*

Payments of interest and other assimilated revenues made by the Issuer with respect to the Bonds will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**"). If such payments under the Bonds are made in a Non-Cooperative State, a 75% withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, by virtue of Article 238 A of the French General Tax Code (*Code général des impôts*), interest and other assimilated revenues paid by or on behalf of the Issuer with respect to such Bonds may no longer be deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterised as constructive dividends pursuant to Article 109 *et seq* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of 30 per cent. or 75 per cent. (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax nor the non-deductibility will apply in respect of the Bonds if the Issuer can prove that the principal purpose and effect of such issue of Bonds were not that of allowing the payments of interest or other assimilated revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the official regulation (*Bulletin Officiel des Finances Publiques-Impôts*) published by French tax authorities, BOI-INT-DG-20-50-20140211, n°550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211, n°70 and BOI-IR-DOMIC-10-20-20-60-20140211, n°10, an issue of bonds will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Bonds if such bonds are:

(i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and that the operation of such market is carried out by a market operator or an investment service provider, or by such other similar foreign entity, provided further that such market operator, investment service provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

The Bonds being, as from their Issue Date, admitted to the clearing operations of a duly authorised central depositary, payments of interest and other assimilated revenues made by, of for the account of, the Issuer under the Bonds are not subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts*.

**Payments made to individuals fiscally domiciled in France**

Pursuant to Articles 125 A and 125 D of the French *Code général des impôts* (i.e. where the paying agent (*établissement payeur*) is established in France) and subject to certain limited exceptions, interest and other assimilatedr revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 24 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at a global rate of 15.5 per cent. on such interest and other assimilated revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

**All prospective Bondholders should seek independent advice as to their tax positions.**

## SUBSCRIPTION AND SALE

Pursuant to a subscription agreement dated 27 July 2017 (the "**Subscription Agreement**"), ING Bank NV, Belgian Branch, (the "**Lead Manager**") and The Royal Bank of Scotland plc (trading as NatWest Markets) (the "**Co-Lead Manager**", together with the Lead Manager, the "**Managers**") have jointly and severally agreed with the Issuer, subject to the satisfaction of certain conditions contained therein, to subscribe and pay for the Bonds at an issue price of 94.928 per cent. of the aggregate principal amount of the Bonds plus an amount of Euro 447,945.21 corresponding to accrued interest with respect to the period from, and including, 14 April 2017 to, but excluding, the Issue Date less a combined, selling management and underwriting commission and less certain other fees and expenses relating to the offering of the Bonds. The Subscription Agreement entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

### General

No action has been or will be taken by the Managers that would permit a public offering of the Bonds or possession or distribution of any offering material in relation to the Bonds in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of the Bonds, or distribution of any offering material relating to the Bonds, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer.

Each Manager has represented and agreed that, in making any offers or sales of Bonds or distributing any offering materials relating thereto in any country or jurisdiction, it has complied and will comply with all applicable laws in such country or jurisdiction.

### United States

Neither the Existing Bonds nor the Bonds have been or will be registered under the Securities Act, and accordingly the Bonds may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder. Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after the later of the commencement of the offering and the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph have the meanings given to them by Regulation S.

The Bonds are being offered and sold outside of the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 calendar days after the commencement of the offering of the Bonds, an offer or sale of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### Republic of France

Each of the Managers and the Issuer has represented and agreed that (i) it has not offered or sold or caused to be offered or sold and will not offer or sell or cause to be offered or sold, directly or indirectly, any Bonds to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France this Prospectus or any other offering material relating to the Bonds and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

**United Kingdom**

Each of the Managers has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended (the "**FSMA"**)) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

## PERSONS RESPONSIBLE FOR THE PROSPECTUS

**Persons responsible for the Prospectus**

Sodexo, 255 quai de la bataille de Stalingrad, Issy les Moulineaux (Hauts–de-Seine), 92130, France.

**Declaration by persons responsible for the Prospectus**

To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Sodexo
255, quai de la bataille de Stalingrad
92130 Issy les Moulineaux (Hauts–de-Seine)
France

Duly represented by Michel Landel in his position as Chief Executive Officer (*Directeur Général*) authorised signatory pursuant to the resolution of the *Conseil d'administration* dated 14 June 2017

Signed in Issy les Moulineaux
Dated 27 July 2017

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

In accordance with Articles L.412-1 and L.621-8 of the *Code monétaire et financier* and with the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* ("**AMF**"), in particular Articles 211-1 to 216-1, the AMF has granted to this Prospectus its visa n°17-393 on 27 July 2017. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L.621-8-1-I of the *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and understandable, and whether the information it contains is consistent". It does not imply an approval by the AMF of the opportunity of the transaction contemplated hereby or that the AMF has approved the appropriateness of the transaction or authenticated the accounting and financial information presented herein.

## GENERAL INFORMATION

1. Application has been made to admit the Bonds to trading on the regulated market of Euronext Paris on 1 August 2017. The Existing Bonds are already admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, as amended.

2. The estimated costs for the admission to trading of the Bonds (including the AMF fees) are Euro 8,250.

3. The Bonds have been accepted for clearance through Euroclear and Clearstream (which are the entities in charge of keeping the records) under the temporary International Securities Identification Number ("**ISIN**") XS1656123459 and the temporary Common Code is 165612345 until the Exchange Date. Thereafter, the ISIN code for the Bonds will be XS1505132602 and the common code will be 150513260. The Bonds will be consolidated, form a single series and be interchangeable for trading purposes with the Existing Bonds as from the Exchange Date.

   The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1885 Luxembourg.

4. The creation and issue of the Bonds has been authorised pursuant to a decision of M. Michel Landel, Chief Executive Officer (*Directeur Général*) of the Issuer dated 25 July 2017, acting pursuant to a resolution of the Board of Directors (c*onseil d'administration*) of the Issuer passed on 14 June 2017.

5. The Issuer publishes (i) audited annual consolidated and non-consolidated accounts and (ii) semi-annual unaudited condensed consolidated accounts. With respect to the unaudited semi-annual condensed consolidated financial statements, the Issuer's statutory auditors apply limited procedures in accordance with professional standards for review of such information. However, their report states that they did not audit and they do not express an opinion on that unaudited financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

6. In accordance with French law, the Issuer is required to have a minimum of two statutory auditors (*commissaires aux comptes*) and two substitute statutory auditors. The statutory auditors are currently KPMG Audit, a department of KPMG S.A., (represented by Mr. Hervé Chopin) and PricewaterhouseCoopers Audit (represented by Jean-Christophe Georghiou). The consolidated financial statements of the Issuer have been audited by KPMG Audit, a department of KPMG S.A., and PricewaterhouseCoopers Audit for the years ended 31 August 2015 and 2016. KPMG Audit, a department of KPMG S.A., and PricewaterhouseCoopers Audit are regulated by the *Haut Conseil du Commissariat aux Comptes* (as members of the *Compagnie Nationale des Commissaires aux Comptes*) and are duly authorised as *Commissaires aux comptes*. The latest audited financial information is the 31 August 2016 audited financial statements. The Issuer's consolidated accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

7. Except as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Issuer or the Group since 28 February 2017 and there has been no material adverse change in the prospects of the Issuer or the Group since 31 August 2016.

8. Neither the Issuer nor any other member of the Group is involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.

9. Sodexo Inc, a U.S. subsidiary of Sodexo, has, pursuant to and subject to the terms of the Guarantee (as defined in Condition 8(f) (*Adverse Rating Action*) of the terms and conditions of the Bonds), agreed to unconditionally and irrevocably guarantee the payment of amounts due by Sodexo under certain specified borrowings, including under the Bonds and the Coupons.

The Guarantee, which is governed by the laws of New York, is for the sole benefit of Sodexo and is enforceable by Sodexo only. Accordingly, no holder of the Bonds or Coupons has or will have any right to enforce the Guarantee. In addition, the Guarantee may be terminated, or any provision thereof may be amended or waived, by the parties thereto.

10. So long as any of the Bonds are outstanding, the following documents will be available during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection and, in the case of documents listed at (ii) collection free of charge, at the specified office each of the Paying Agents:

    (i) the Fiscal Agency Agreement; and

    (ii) the documents incorporated by reference in this Prospectus.

11. So long as any of the Bonds are outstanding, the following documents will be available during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection at the head office of the Issuer at 255, quai de la bataille de Stalingrad, 92130 Issy les Moulineaux, France:

    (i) the *statuts* of the Issuer;

    (ii) the audited consolidated financial statements of the Issuer for the two most recent financial years; and

    (iii) the latest unaudited semi-annual condensed consolidated financial statements of the Issuer.

12. The phone number of the Issuer at its registered office is +33 1 30 85 75 00.

13. The yield of the Bonds is 1.310 per cent. *per annum*. The yield is calculated at the issue date on the basis of the issue price. It is not an indication of future yield.

14. The Issuer certifies that, to the best of its knowledge, there are no potential conflicts of interests between any duties owed to the Issuer by members of its administrative, management and supervisory bodies and their private interests or other duties.

15. In connection with the issue of the Bonds, ING Bank NV, Belgian Branch will act as stabilising manager (the "**Stabilising Manager**"). The Stabilising Manager may over-allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, stabilisation may not occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 calendar days after the issue date of the Bonds and 60 calendar days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

16. This Prospectus includes or incorporates by reference forward-looking statements. All statements other than statements of historical facts included or incorporated by reference in this Prospectus, including, without limitation, those regarding the Issuer's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

**17.** The Bonds will be assigned a rating of A- by S&P Global Ratings France SAS ("**S&P**"). The Issuer has been assigned a rating of A- (stable) by S&P.

**REGISTERED OFFICE OF THE ISSUER**

**SODEXO**
255, quai de la bataille de Stalingrad
92130 Issy les Moulineaux
France

**LEAD MANAGER**

**ING Bank NV, Belgian Branch**

Avenue Marnix 24
1000 Brussels

Belgium

**CO-LEAD MANAGER**

**The Royal Bank of Scotland plc (trading as NatWest Markets)**
250 Bishopsgate
London EC2M 4AA
United Kingdom

**FISCAL AGENT, CALCULATION AGENT AND PRINCIPAL PAYING AGENT**

**BNP Paribas Securities Services, Luxembourg Branch**
60, Avenue J. F. Kennedy
L-1855 Luxembourg
Luxembourg

**PAYING AGENT**
**BNP Paribas Securities Services**
Les Grands Moulins de Pantin
9, rue de Débarcadère
93500 Pantin
France

**AUDITORS OF THE ISSUER**

**KPMG Audit, a department of KPMG S.A.**
Immeuble KPMG
1, cours Valmy
92923 Paris La Défense Cedex
France

**PricewaterhouseCoopers Audit**
63, rue de Villiers
92200 Neuilly sur Seine
France

**LEGAL ADVISERS**

***To the Managers***

**White & Case**
19, place Vendôme
75001 Paris
France