Fiscal 2018 Results
November 20, 2018
Roadshow London - UBS
This presentation 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.

Figures have been prepared in thousands of euro and published in millions of euro.

Alternative Performance Measures: please refer to Appendix 13 for definitions
AGENDA

1. Key Fiscal 2018 highlights
2. Financial performance
3. Review of Operations:
   › On-Site Services revenues
   › Benefits & Rewards Services revenues
   › Underlying Operating Profit
4. Action plans
5. Outlook for Fiscal 2019
6. Appendices
FY2018 IN LINE WITH REVISED GUIDANCE

Fiscal 2018 highlights

Revised guidance

Organic revenue growth of between 1 and 1.5%
(excluding 53rd week impact)

Underlying operating profit margin around 5.7%
(excluding currency effects)

FY2018 Results

Organic revenue growth at 2.0%
(excluding 53rd week impact)

Underlying operating profit margin at 5.7%
(excluding currency effects)

* Please refer to Appendix 13 for Alternative Performance Measures definitions
**ORGANIC GROWTH IN LINE WITH REVISED GUIDANCE**

**Fiscal 2018 highlights**

<table>
<thead>
<tr>
<th>Group</th>
<th>On Site Services</th>
<th>Benefits &amp; Rewards Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>+2.0% Excluding 53rd week</td>
<td>FY2018 +1.9% Excluding 53rd week</td>
<td>FY2018 +5.1%</td>
</tr>
<tr>
<td>+1.6% Published</td>
<td>Q4 +3.3% Excluding 53rd week</td>
<td>Q4 +7.6%</td>
</tr>
<tr>
<td></td>
<td>-1.1% North America</td>
<td>+2.4% Latin America</td>
</tr>
<tr>
<td></td>
<td>+4.5% excl. North America</td>
<td>+7.5% excl. Latin America</td>
</tr>
<tr>
<td></td>
<td>Board days shift from Q3 to Q4 in Universities in North America as expected</td>
<td>Brazil pick-up in H2</td>
</tr>
<tr>
<td></td>
<td>Good summer tourism in France</td>
<td>India recovery in Q4</td>
</tr>
</tbody>
</table>

*Please refer to Appendix 13 for Alternative Performance Measures definitions*
## Fiscal year 2018 highlights

**Strong Free Cash Flow**
- €1.1bn
- 165% CASH CONVERSION

**Solid Balance sheet**
- 1.0 NET DEBT RATIO
- 38% GEARING

**Share buyback program**
- €300m

**FY18 Net Acquisitions**
- €697m SPEND
- 2.9% SCOPE CHANGE

**Underlying EPS**
- €4.77

**Dividend maintained**
- €2.75 DIVIDEND
- 58% OF UNDERLYING NET PROFIT

*Please refer to Appendix 13 for Alternative Performance Measures definitions*
SODEXO REMAINS SOLID

Fiscal year 2018 highlights

- Second half FY 2018 on the right track
- Accelerated growth in Q4
- We continue to generate strong cash flow
- The action plans are progressively delivering
- Continued focus on North America turnaround
- Dividend maintained – reflecting confidence in Sodexo’s future performance
### PERFORMANCE IN THE P&L

**Fiscal 2018 Financial Performance**

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>FY 2017</th>
<th>At current exchange rates</th>
<th>Excluding currency effect</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>20,407</td>
<td>20,698</td>
<td>-1.4%</td>
<td>+4.4%</td>
</tr>
<tr>
<td><strong>Underlying Operating profit</strong></td>
<td>1,128</td>
<td>1,340</td>
<td>-15.8%</td>
<td>-8.6%</td>
</tr>
<tr>
<td><strong>Underlying Operating margin</strong></td>
<td>5.5%</td>
<td>6.5%</td>
<td>-100 bps</td>
<td>-80 bps</td>
</tr>
<tr>
<td><strong>Other Operating income and expenses</strong></td>
<td>(131)</td>
<td>(151)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>997</td>
<td>1,189</td>
<td>-16.1%</td>
<td>-8.3%</td>
</tr>
<tr>
<td><strong>Net financial expense</strong></td>
<td>(90)</td>
<td>(105)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td>27.1%</td>
<td>31.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Underlying net profit group share</strong></td>
<td>706</td>
<td>822</td>
<td>-14.1%</td>
<td>-8.6%</td>
</tr>
<tr>
<td><strong>Basic Underlying Earnings per Share</strong></td>
<td>4.77</td>
<td>5.52</td>
<td>-13.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Group net profit</strong></td>
<td>651</td>
<td>723</td>
<td>-9.9%</td>
<td>-4.0%</td>
</tr>
<tr>
<td><strong>Basic Earnings per Share</strong></td>
<td>4.40</td>
<td>4.85</td>
<td>-9.4%</td>
<td></td>
</tr>
</tbody>
</table>

*Please refer to Appendix 13 for Alternative Performance Measures definitions*
### OTHER INCOME AND EXPENSES

#### Fiscal 2018 Financial Performance

<table>
<thead>
<tr>
<th>€ millions</th>
<th>FY 2018</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying Operating profit</td>
<td>1,128</td>
<td>1,340</td>
</tr>
<tr>
<td>Underlying Operating margin</td>
<td>5.5%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Other Operating income</td>
<td>10</td>
<td>24</td>
</tr>
<tr>
<td>Gains related to perimeter changes</td>
<td>3</td>
<td>21</td>
</tr>
<tr>
<td>Gains on changes of post-employment benefits</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(141)</td>
<td>(176)</td>
</tr>
<tr>
<td>Restructuring and rationalization costs</td>
<td>(42)</td>
<td>(137)</td>
</tr>
<tr>
<td>Acquisition related costs</td>
<td>(15)</td>
<td>(6)</td>
</tr>
<tr>
<td>Losses related to perimeter changes</td>
<td>(18)</td>
<td>-</td>
</tr>
<tr>
<td>Losses on changes of post-employment benefits</td>
<td>-</td>
<td>(2)</td>
</tr>
<tr>
<td>Amortization and impairment of client relationships and trademarks</td>
<td>(52)</td>
<td>(31)</td>
</tr>
<tr>
<td>Impairment of non-current assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>(14)</td>
<td>-</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>997</td>
<td>1,189</td>
</tr>
</tbody>
</table>

* Please refer to Appendix 13 for Alternative Performance Measures definitions
## SOLID CASH FLOW

### Fiscal 2018 Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>FY2018</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>1,140</td>
<td>1,076</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>221</td>
<td>120</td>
</tr>
<tr>
<td>Net capital expenditure</td>
<td>(286)</td>
<td>(308)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,076</td>
<td>887</td>
</tr>
<tr>
<td>Net acquisitions</td>
<td>(697)</td>
<td>(268)</td>
</tr>
<tr>
<td>Share buy-backs/Treasury stock</td>
<td>(300)</td>
<td>(300)</td>
</tr>
<tr>
<td>Dividends paid to parent company shareholders</td>
<td>(411)</td>
<td>(359)</td>
</tr>
<tr>
<td>Other changes (including change in Financial Assets, scope and exchange rates)</td>
<td>(316)</td>
<td>(164)</td>
</tr>
<tr>
<td><strong>(Increase)/decrease in net debt</strong></td>
<td>(648)</td>
<td>(204)</td>
</tr>
</tbody>
</table>

1 Excluding change in financial assets related to the Benefits & Rewards Services activity (-228m€ in Fiscal 2018 and -134 million euro in Fiscal 2017).

Total change in working capital as reported in consolidated accounts: in Fiscal 2018: -7 m€ = 221m€-228m€ and: in Fiscal 2017 -14 m€ = 120m€-134m€

* Please refer to Appendix 13 for Alternative Performance Measures definitions.
STRONG CASH CONVERSION

Cash conversion (Free cash flow/ Group net profit)

FY 2014: 123%
FY 2015: 98%
FY 2016: 93%
FY 2017: 123%
FY 2018: 165%
### ROBUST BALANCE SHEET AND RATIOS

#### Fiscal 2018 Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>€ millions</th>
<th>August 31, 2018</th>
<th>August 31, 2017</th>
<th>Shareholders’ equity</th>
<th>€ millions</th>
<th>August 31, 2018</th>
<th>August 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td>7,944</td>
<td>7,416</td>
<td></td>
<td>3,283</td>
<td>3,536</td>
<td></td>
</tr>
<tr>
<td>excluding cash</td>
<td></td>
<td>4,628</td>
<td>4,531</td>
<td>45</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted cash</td>
<td></td>
<td>615</td>
<td>511</td>
<td>4,330</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits &amp; Rewards</td>
<td></td>
<td>427</td>
<td>398</td>
<td>34</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td></td>
<td>1,666</td>
<td>2,018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>15,280</td>
<td>14,874</td>
<td></td>
<td>15,280</td>
<td>14,874</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-controlling interests</strong></td>
<td>45</td>
<td>34</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>4,330</td>
<td>3,885</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>7,622</td>
<td>7,419</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities &amp; equity</strong></td>
<td>15,280</td>
<td>14,874</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross borrowings</strong></td>
<td>3,940</td>
<td>3,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>1,260</td>
<td>611</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gearing ratio</strong></td>
<td>38%</td>
<td>17%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net debt ratio</strong></td>
<td>1.0</td>
<td>0.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(net debt/EBITDA)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Operating cash totaled €2,680 million\(^1\), of which €1,987 million related to Benefits and Rewards Services

---

\(^1\) Cash – Bank overdrafts of €28m + Financial assets related to BRS activity

*Please refer to Appendix 13 for Alternative Performance Measures definitions*
DIVIDEND MAINTAINED DESPITE REDUCTION IN NET INCOME

Dividend per share (€)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>1,80 €</td>
<td>2,20 €</td>
<td>2,40 €</td>
<td>2,75 €</td>
<td>2,75 €</td>
</tr>
</tbody>
</table>

1 To be proposed at the AGM on January 22, 2019

Pay-out ratio (%)

- 63% As published
- 58% Before non-recurring items

FY 2014
FY 2015
FY 2016
FY 2017
FY 2018
**ORGANIC GROWTH**

Fiscal 2018 Financial Performance

<table>
<thead>
<tr>
<th>REVENUE GROWTH</th>
<th>-1.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currency effect</td>
<td>-5.9%</td>
</tr>
<tr>
<td>Scope changes</td>
<td>+2.9%</td>
</tr>
</tbody>
</table>

**ORGANIC GROWTH**

+1.6% / +2.0% excluding 53rd week impact

of which:

<table>
<thead>
<tr>
<th>On-site Services</th>
<th>+1.4% / +1.9% excluding 53rd week impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits and Rewards Services</td>
<td>+5.1%</td>
</tr>
</tbody>
</table>
OSS

On-site Services revenues

REVIEW OF OPERATIONS
ENCOURAGING EVOLUTION OF GROWTH INDICATORS ON-SITE SERVICES

Fiscal 2018 Financial Performance

Client retention

- Fiscal 2017: 93.5%
- Fiscal 2018: 93.8%

Comparable unit growth
Excluding 53rd week

- Fiscal 2017: +1.5%
- Fiscal 2018: +2.6%

Business development

- Fiscal 2017: 6.5%
- Fiscal 2018: 6.8%
North America organic growth figure is excluding 53rd week*
BUSINESS & ADMINISTRATIONS – REVENUES

North America
- Increase in comparable unit sales driven by further development of FM services
- E&R impacted by a significant site closure

Europe
- Continued recovery in France boosted by a solid tourism season
- E&R -14.7%
- Government & Agencies impacted by exit of British Army contracts

Africa, Asia, Australia, Latin America & Middle East
- Solid growth in Corporate driven by strong new business and comparable unit sales
- E&R favorable momentum

Organic Growth (Excluding 53rd week)

<table>
<thead>
<tr>
<th>Region</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>10,551</td>
<td>10,938</td>
<td>+3.8%</td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Africa, Asia, Australia, Latin America &amp; Middle East</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Please refer to Appendix 13 for Alternative Performance Measures definitions
HEALTH CARE & SENIORS – REVENUES

ORGANIC GROWTH (Excluding 53rd week)

-0.5% North America
- Negative net new / lost business
- Weak comparable unit growth

+0.6% Europe
- Improved trend in Seniors in France, and Hospitals in Belgium and the Nordics
- Continued Selective bidding in UK

+17.2%1 Africa, Asia, Australia, Latin America & Middle East
- Strong double digit growth in Brazil due to contract wins and increased same site sales
- Solid same site sales in Asia

**TOTAL +1.0%**

**€ millions**

FY 2017

<table>
<thead>
<tr>
<th>Organic Growth</th>
<th>Net acquisition</th>
<th>Unfavorable currency effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>+0.2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FY 2018

<table>
<thead>
<tr>
<th>Organic Growth</th>
<th>Net acquisition</th>
<th>Unfavorable currency effect</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5,007

4,768

1 Restated for internal transfers between segments.

*Please refer to Appendix 13 for Alternative Performance Measures definitions

63% of FY18 Health Care & Seniors

31% of FY18 Health Care & Seniors

6% of FY18 Health Care & Seniors
EDUCATION – REVENUES

€ millions

FY 2017

4,239

FY 2018

3,855

-3.0% Organic Growth

-3.9% Net disposal

Unfavorable currency effect

ORGANIC GROWTH (Excluding 53rd week)

-3.9% North America

- Poor momentum from previous year
- Steady comparable unit growth
- Current year neutral net new/lost business

+3.0% Europe

- High single digit growth in Schools in UK particularly in the private sector
- Positive calendar effect (+2 days) in Italy

+14.7%1 Africa, Asia, Australia, Latin America & Middle East

- Very strong growth in Schools in Asia particularly in India and China

TOTAL -2.5%

1 Restated for internal transfers between segments.

*Please refer to Appendix 13 for Alternative Performance Measures definitions
ISSUE VOLUME AND REVENUES

Benefits & Rewards Services

**ISSUE VOLUME**
€ billions

- FY 2017: 17.8
- FY 2018: 17.8

**ORGANIC GROWTH** +6.8%

- FY 2017: Acquisitions
- FY 2018: Organic growth

**REVENUES**
€ millions

- FY 2017: 905
- FY 2018: 850

**ORGANIC GROWTH** +5.1%

- FY 2017: Net disposal
- FY 2018: Organic growth

* Please refer to Appendix 13 for Alternative Performance Measures definitions

## ISSUE VOLUME AND REVENUES BY REGION

Europe, Asia, USA

<table>
<thead>
<tr>
<th>ISSUE VOLUME</th>
<th>€ billions</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic growth</td>
<td></td>
<td>10.0</td>
<td>10.5</td>
</tr>
<tr>
<td>Acquisitions</td>
<td></td>
<td></td>
<td>480</td>
</tr>
<tr>
<td>Unfavorable currency effect</td>
<td></td>
<td></td>
<td>473</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>€ millions</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic growth</td>
<td></td>
<td>56%</td>
<td>56%</td>
</tr>
<tr>
<td>Acquisitions</td>
<td></td>
<td>+6.7%</td>
<td>+7.5%</td>
</tr>
<tr>
<td>Net disposal</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unfavorable currency effect</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

- Robust growth in Western Europe
- Double digit growth in Eastern Europe and the Mediterranean region
- Weakness in India impacted by mandatory transfer from paper to digital on January 1st and a loss of a large contract
  Signs of improvement in Q4
- Disposal of Vivabox US, last year in Q4

* Please refer to Appendix 13 for Alternative Performance Measures definitions
ISSUE VOLUME AND REVENUES BY REGION

Latin America

- Improvement in Brazil as interest rates stabilize and return to volume growth in H2
- Strong double digit growth momentum in Mexico

Note: As per hyperinflation accounting, Fiscal 2018 and Fiscal 2017 Venezuelan bolivars have been converted at the exchange rate as at February 28, 2018 of 1 U.S. dollar = 6,112,000 VEF relative to the Fiscal 2017 rate of 1 U.S. dollar = 3,250 VEF.

* Please refer to Appendix 13 for Alternative Performance Measures definitions

Benefits & Rewards Services revenues
-NEW DISCLOSURE-
NEW REVENUE BREAKDOWN BY SERVICE LINE

Benefits & Rewards Services

**EMPLOYEE BENEFITS**

- Meal & Food
  - Meal
  - Food
- Gift
- Other Employee Benefits
  - Ecopass
  - Employee Benefit platforms
  - Childcare

**SERVICE DIVERSIFICATION**

- Incentive & Recognition
  - Incentive & Recognition
  - Corporate Health & Wellness
- Mobility & Expenses
  - Fuel & Fleet
  - Travel & Expenses
- Public Benefits

* Please refer to Appendix 13 for Alternative Performance Measures definitions

REVENUES BY SERVICE LINE

Benefits & Rewards Services

- Issue volume €13.1bn, +7.2% Organic Growth
- Solid growth in Europe & the Mediterranean region
- Improving trend in Brazil
- India regaining market share in Q4

Organic growth +4.9%

<table>
<thead>
<tr>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>706</td>
<td>677</td>
</tr>
</tbody>
</table>

Unfavorable currency effect

Services diversification

Organic growth +5.9%

<table>
<thead>
<tr>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>199</td>
<td>173</td>
</tr>
</tbody>
</table>

Net disposal

Unfavorable currency effect

- Strong double digit growth in Mobility & Expense
- Fast development in Corporate Health & Wellness with our Sport Card offers
- Disposal of Vivabox US, last year in Q4

* Please refer to Appendix 13 for Alternative Performance Measures definitions
REVENUES BY REGION
Benefits & Rewards Services

**Latin America**

- € millions
- **Organic growth** +2.4%
- FY 2017: 425
- FY 2018: 377
- Unfavorable currency effect

**Europe, Asia, USA**

- € millions
- **Organic growth** +7.5%
- FY 2017: 480
- FY 2018: 473
- Net disposal
- Unfavorable currency effect

- Robust growth in Western Europe. Double digit growth in Eastern Europe and the Mediterranean region
- Weakness in India impacted by mandatory transfer from paper to digital on January 1st and a loss of a large contract. Signs of improvement in Q4
- Disposal of *Vivabox* US, last year in Q4

- Improvement in Brazil as interest rates stabilize and return to volume growth in H2
- Strong double digit momentum in Mexico in both Employee Benefits and Mobility & Expense services

*Please refer to Appendix 13 for Alternative Performance Measures definitions*
REVENUES BREAKDOWN BY NATURE

Benefits & Rewards Services

OPERATING REVENUES

- Robust growth in Western Europe. Double digit growth in Eastern Europe and the Mediterranean region
- Return to volume growth in Brazil in H2 and strong double digit growth in Mexico
- India regaining market share in Q4
- Disposal of Vivabox US last year in Q4

Bank of millions

FY 2017 FY 2018

813 777

FINANCIAL REVENUES

- Fall in interest rates in Brazil stabilizing at year end
- Interest rates remaining low in Europe
- High interest rates in Turkey

Bank of millions

FY 2017 FY 2018

92 73

* Please refer to Appendix 13 for Alternative Performance Measures definitions
REVIEW OF OPERATIONS

Underlying Operating Profit
DETERIORATION IN UNDERLYING OPERATING PROFIT

Fiscal 2018 Financial Performance

Underlying Operating margin

6.5%

1,340
FY 2017

-15.8%
TOTAL GROWTH

-8.6%
EXCLUDING CURRENCY EFFECT

1,128
FY 2018

5.5% At current exchange rates

-100 bps
TOTAL GROWTH

-80 bps
EXCLUDING CURRENCY EFFECT

* Please refer to Appendix 13 for Alternative Performance Measures definitions
<table>
<thead>
<tr>
<th>Segment</th>
<th>FY 2018</th>
<th>At constant rate</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| Business & Administration| €458M   | -6.2%            | -70bps  
Performance issues in some of our larger accounts  
Investment in sales and marketing and new offers |
| Health Care & Seniors    | €306M   | -3.1%            | -30bps  
Delays in the delivery of efficiencies from the productivity programs  
Investments in sales and marketing |
| Education                | €222M   | -15.6%           | -90bps  
Low retention impact  
Delays in labor scheduling and SKU management programs |
| Benefits & Rewards       | €262M   | -3.7%            | -180bps 
Investment in diversification, in particular Mobility  
Accelerated card migration  
Improvement in Brazil in H2 |
| Corporate expenses       | €(120)M | -16.7%           |                                                |

* % of revenue
ACTION PLANS
FOCUS ON GROWTH STRATEGIC AGENDA

The Good Eating Company in the UK

- Acquisition in 2017
- 100% client retention
- 100% management team retention
- Growth > 20% in FY 2018
- Attractive contract win in London with Nomura

Digital Training

- Virtual learning & development program
- +1,500 people trained in wave 1
- Global launch FY19

Fit for the Future

- Moving to execution mode in North America, UK and France: identified €100m run rate of redeployable costs by FY2021
- Porto shared service center live
- UK transferred
- Next transition to follow: Netherlands

200 Plant-based menus launched in the US
OUTLOOK
FISCAL 2019 OBJECTIVES

Outlook

- Accelerated growth in Q4 FY18
- Stable growth in Europe
- Continued solid growth in Developing economies
- Progressive improvement in North America

- Action plans delivering
- Productivity reinvested in growth initiatives

Organic revenue growth of between 2% and 3%

Underlying operating profit margin between 5.5% and 5.7%
(excluding currency effects)

* Please refer to Appendix 13 for Alternative Performance Measures definitions
1. Contracts wins and extensions
2. Corporate responsibility distinction
3. M&A Activity
4. Sodexo Ventures
6. Fiscal 2018 segment breakdown by currency
7. Number of shares
8. IFRS 15
9. Net to gross Capex/Sales
10. IFRS 16
11. Reverse factoring
12. Alternative Performance Measure definitions and financial ratios
13. Financial calendar
14. Sodexo key figures
15. Investor Relations contact
<table>
<thead>
<tr>
<th>Contract Wins</th>
<th>Contract Retention</th>
<th>Contract Extensions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Ronald Reagan Library</strong></td>
<td><strong>Tour Eiffel</strong></td>
<td><strong>Chicago Public Schools</strong></td>
</tr>
<tr>
<td>Centerplate contract in the US</td>
<td>Sport &amp; Leisure contract in France</td>
<td>Schools contract in the US</td>
</tr>
<tr>
<td><strong>MedStar Health System</strong></td>
<td><strong>Ecoles de Marseille</strong></td>
<td><strong>Tetra Pak</strong></td>
</tr>
<tr>
<td>Health Care contract in the US</td>
<td>School contract in France</td>
<td>Corporate contract in Brazil, Vietnam, UK, Philippines, Norway</td>
</tr>
<tr>
<td><strong>The University of Hong Kong</strong></td>
<td><strong>West Midlands multi-academy trust</strong></td>
<td><strong>Bytedance</strong></td>
</tr>
<tr>
<td>University contract in Hong Kong</td>
<td>University contract in the UK</td>
<td>Corporate contract in China</td>
</tr>
</tbody>
</table>
CORPORATE RESPONSIBILITY DISTINCTIONS

Fiscal 2018 highlights

Named the top-rated company in its sector on the Dow Jones Sustainability Index (DJSI) for the 14th consecutive year

Earned the highest marks in RobecoSAM’s “Sustainability Yearbook” for 11th straight year
M&A ACTIVITY

Fiscal 2018 Highlights

Enriching offers
- in France
- in the UK
- in Spain
- in Switzerland

Strategic moves
- in the USA

Technical Expertise
- In Singapore

Consolidating positions
- in Australia

Net investments:
€697m in Fiscal 2018

Acquisitions since year end

Appendix 3
SODEXO VENTURES: STRATEGIC CORPORATE VENTURE FUND

Fiscal 2018 highlights

- A €50m Fund launched in 2016 to:
  - Accompany the evolution of our markets
  - Increase our capacity for innovation
  - Enrich our offer
  - Support Sodexo’s long-term investment strategy

- Key sectors:
  food-tech, health & wellness, data, mobility or smart buildings
BREAKDOWN OF GROSS FINANCIAL DEBT:
€3,940 million

€ millions

**BY CURRENCY**
- 53% €
- 4% other
- 43% $

**INTEREST RATE**
- 6% Variable
- 94% Fixed

Blended cost of debt 2.5% at 31/08/2018

**BY MATURITY**
- < 1 year: 406
- 1-6 years: 1,703
- > 6 years: 1,831

* Including commercial paper for an amount of €240m

Appendix 5
### FISCAL 2018 EXCHANGE RATES

<table>
<thead>
<tr>
<th>Currency</th>
<th>Average rate Fiscal 18</th>
<th>Reference rate Fiscal 17</th>
<th>Change average rates Fiscal 18 vs. Reference Fiscal 17</th>
<th>Closing rate at 31/08/2018</th>
<th>Closing rate 31/08/18 vs. 31/08/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Dollar</td>
<td>1.193</td>
<td>1.099</td>
<td>-7.8%</td>
<td>1.165</td>
<td>+1.5%</td>
</tr>
<tr>
<td>Pound Sterling</td>
<td>0.884</td>
<td>0.867</td>
<td>-1.9%</td>
<td>0.897</td>
<td>+2.5%</td>
</tr>
<tr>
<td>Brazilian Real</td>
<td>4.075</td>
<td>3.526</td>
<td>-13.5%</td>
<td>4.859</td>
<td>-23.0%</td>
</tr>
</tbody>
</table>
## FISCAL REVENUES 2018
### SEGMENT BREAKDOWN BY CURRENCY

<table>
<thead>
<tr>
<th></th>
<th>TOTAL</th>
<th>B&amp;A</th>
<th>Education</th>
<th>Healthcare</th>
<th>BRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>26%</td>
<td>30%</td>
<td>18%</td>
<td>22%</td>
<td>26%</td>
</tr>
<tr>
<td>USD</td>
<td>41%</td>
<td>24%</td>
<td>73%</td>
<td>60%</td>
<td>4%</td>
</tr>
<tr>
<td>GBP</td>
<td>9%</td>
<td>12%</td>
<td>3%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>BRL</td>
<td>5%</td>
<td>6%</td>
<td>0%</td>
<td>2%</td>
<td>36%</td>
</tr>
<tr>
<td>Other</td>
<td>19%</td>
<td>28%</td>
<td>6%</td>
<td>9%</td>
<td>27%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
## Number of Shares

**Company’s share capital**

<table>
<thead>
<tr>
<th></th>
<th>August 31, 2018</th>
<th>February 28, 2018</th>
<th>August 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company’s share capital, number of shares</td>
<td>147,454,887</td>
<td>150,830,449</td>
<td>150,830,449</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>1,869,352</td>
<td>2,529,632</td>
<td>2,205,010</td>
</tr>
<tr>
<td><strong>Number of shares for EPS calculation</strong>&lt;br&gt;(Basic weighted average number of shares)</td>
<td>148,077,776</td>
<td>148,535,880</td>
<td>148,998,961</td>
</tr>
</tbody>
</table>
Less than 20 bps impact on Revenue for the On-site activity in FY2019 with negligible impact on margin. The organic growth impact will be highlighted in financial communications each quarter.

Prospective application from September 1, 2018 with no restatement of comparative as no material impact.

Investments in equipment on client sites agreed contractually with clients will remain accounted for as CAPEX.

Client investments (cash payments made to clients) were already deducted from revenue and will remain as such.

No change in Benefits & Rewards Services revenue recognition.
## NET TO GROSS CAPEX TO SALES

### August 31, 2018 Net Capex/Sales | Client Investments impact | Disposal of assets | August 31, 2018 Gross* Capex/Sales
---|---|---|---
Revenue | 20,407 | 94 | 20,501
EBITDA | 1,314 | 94 | 1,408
Underlying Operating Profit | 1,128 | | 1,128
Net income Group Share | 651 | | 651
Capital expenditure in cash flow | (286) | (94) | (31) | (411)
**Capex as a % of revenue** | 1.4% | | 2.0%

*In this pro-forma Client investment amortization has been added back to Revenue and accounted for as CAPEX amortization to align with the current accounting treatment of our peers. CAPEX in cash flow has also been adjusted to reflect gross CAPEX including Client investment cash out flows and cancellation of disposals of assets.
IFRS 16

- Prospective application from September 1, 2019 with no restatement of comparative.

- Work in progress regarding the assessment of impact: preliminary estimate shows circa €1bn of net debt, therefore increase in Net debt/EBITDA ratio by +0.7 net debt/EBITDA ratio* from FY2020.

*S Unaudited preliminary assessment excluding concessions
Our reverse factoring program has been put in place as part of a "supplier support Program" which was implemented in the context of the standardization of our P2P process. The objectives of this supplier support program were to:

- have the opportunity to work with suppliers which in the past had not accepted our terms and conditions;
- allow our suppliers to gain access to a way to be paid in a fast and secured manner at a low cost of financing;
- improve the perception of Sodexo as a "buyer";
- standardize our payment terms in each significant region of the Group;
- gain in efficiency in Shared Services Centers with an automatic processing of supplier invoices validated by the Group;

The reverse factoring program usage by our suppliers amounted to €370M as at August 31, 2018, with no impact on working capital or cash-flow.

For the reverse factoring programs that have been implemented in the context of our supplier support program:

- Suppliers have the choice but not the obligation to sell, invoice by invoice, their approved receivables before the maturity date.
- Sodexo has no power over the supplier’s decision to sell or not sell its receivables. This is not a tri-partite agreement;
- In instances where payment terms were modified, terms changed for all supplier invoices irrespective of whether supplier financing was or was not utilized;
- Sodexo does not receive any fees or payment from the factor nor do we make any payment to the factor other than the payment of the original invoice;
- Suppliers invoices continue to be paid according to the payment terms negotiated with the suppliers. Whether the bills are in the program or not, the payment date remains the same.
- Such programs have not changed our liabilities towards our suppliers, which is the reason why these liabilities remain as trade payables and are not reclassified as financial debt under IFRS.
ALTERNATIVE PERFORMANCE MEASURE DEFINITIONS

**Blended cost of debt**
The blended cost of debt is calculated at period end and is the weighted blended of financing rates on borrowings, (including derivative financial instruments) and cash pooling balances at period end.

**Free cash flow**
Please refer to Cashflow position.

**Growth excluding currency effect**
Change excluding currency effect calculated converting FY 2018 figures at FY 2017 rates, except when significant for countries with hyperinflationary economies.
As a result, for Venezuelan Bolivar, FY 2018 and FY 2017 figures in VEF have been converted at the exchange rate of USD 1 = VEF 6,112,000 vs. VEF 3,250 for FY 2017.

**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.

**Net debt**
Group gross borrowings at the balance sheet less operating cash.

**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 (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- for businesses acquired (or gain of control) 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 (or loss of control) 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 (or loss of control) 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 when the impact is significant.
As a result, for the calculation of organic growth, Benefits & Rewards figures for FY2018 and FY 2017 in Venezuelan Bolivar, have been converted at the exchange rate of USD 1 = VEF 6,112,000 vs. VEF 3,250 for FY 2017.
Underlying Operating profit
Operating profit excluding other operating income and other operating expenses. Other operating income and expenses include gains or losses related to perimeter changes and on changes of post-employment benefits, restructuring and rationalization costs, Acquisition related costs, amortization and impairment of client relationships and trademarks, impairment of goodwill and impairment of non-current assets.

Underlying Operating margin
Underlying Operating profit divided by Revenues.

Underlying Operating margin at constant rate
Margin calculated converting Fiscal 2018 figures at FY 2017 rates, except for countries with hyperinflationary economies when the impact is significant.

Underlying Net profit per share
Underlying Net profit per share presents the Underlying net profit divided by the average number of shares

Underlying Net Profit
Underlying Net profit presents a net income excluding significant unusual and/or infrequent elements. Therefore, it corresponds to the Net Income Group share excluding Other Income and Expense and significant non-recurring elements in both Net Financial Expense and Income tax Expense.

In the Fiscal 2018, the Underlying net profit excludes from the Net Income Group share the following items and the related tax impact where applicable:

- Other Income and Expense for - €131m
- Interests received in France on tax reimbursements for €7m
- Reimbursement of the 3% tax on dividends received for €43m
- One-off impacts resulting from changes in the US tax regulation for - €13m
## APM - FINANCIAL RATIOS DEFINITIONS

### Appendix 13

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Fiscal 2018</th>
<th>Fiscal 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gearing ratio</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings(1) – operating cash(2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity and non-controlling interests</td>
<td>37.9%</td>
<td>17.1%</td>
</tr>
<tr>
<td><strong>Net debt ratio</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings(1) – operating cash(2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)(3)</td>
<td>1.0</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Debt coverage</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>3.5 years</td>
<td>3.3 years</td>
</tr>
<tr>
<td><strong>Financial independence</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current borrowings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity and non-controlling interests</td>
<td>106.3%</td>
<td>84.3%</td>
</tr>
<tr>
<td><strong>Return on equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit attributable to equity holders of the parent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity attributable to equity holders of the parent (before profit for the period)</td>
<td>24.7%</td>
<td>25.7%</td>
</tr>
<tr>
<td><strong>Return on capital employed (ROCE)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating profit after tax(4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital employed(5)</td>
<td>16.4 %</td>
<td>20.6 %</td>
</tr>
<tr>
<td><strong>Interest cover</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net borrowing cost</td>
<td>12.6</td>
<td>15.0</td>
</tr>
</tbody>
</table>

See on page 57.

---

Fiscal 2018 Fiscal 2017

See on page 57.
### APM - FINANCIAL RATIOS RECONCILIATION

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal 2018</th>
<th>Fiscal 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(1) Borrowings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current borrowings</td>
<td>3,537</td>
<td>3,012</td>
</tr>
<tr>
<td>+ current borrowings excluding overdrafts</td>
<td>421</td>
<td>499</td>
</tr>
<tr>
<td>- derivative financial instruments recognized as assets</td>
<td>(18)</td>
<td>(11)</td>
</tr>
<tr>
<td><strong>Total Borrowings</strong></td>
<td>3,940</td>
<td>3,500</td>
</tr>
<tr>
<td><strong>(2) Operating cash</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,666</td>
<td>2,018</td>
</tr>
<tr>
<td>+ financial assets related to the Benefits and Rewards Services activity</td>
<td>1,042</td>
<td>909</td>
</tr>
<tr>
<td>- bank overdrafts</td>
<td>(28)</td>
<td>(38)</td>
</tr>
<tr>
<td><strong>Total Operating cash</strong></td>
<td>2,680</td>
<td>2,889</td>
</tr>
<tr>
<td><strong>(3) Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>997</td>
<td>1,189</td>
</tr>
<tr>
<td>+ depreciation and amortization</td>
<td>317</td>
<td>281</td>
</tr>
<tr>
<td><strong>Total EBITDA</strong></td>
<td>1,314</td>
<td>1,470</td>
</tr>
<tr>
<td><strong>(4) Operating profit after tax</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>997</td>
<td>1,189</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>27.1%</td>
<td>31.7%</td>
</tr>
<tr>
<td><strong>Total Operating profit after tax</strong></td>
<td>727</td>
<td>812</td>
</tr>
<tr>
<td><strong>(5) Capital employed</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>619</td>
<td>590</td>
</tr>
<tr>
<td>+ goodwill</td>
<td>5,664</td>
<td>5,308</td>
</tr>
<tr>
<td>+ other intangible assets</td>
<td>704</td>
<td>511</td>
</tr>
<tr>
<td>+ client investments</td>
<td>558</td>
<td>547</td>
</tr>
<tr>
<td>+ working capital excluding restricted cash and financial assets of the Benefits and Rewards Services activity</td>
<td>(3,104)</td>
<td>(3,009)</td>
</tr>
<tr>
<td><strong>Total Capital employed</strong></td>
<td>4,441</td>
<td>3,947</td>
</tr>
</tbody>
</table>
## FINANCIAL CALENDAR

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration Document publication</td>
<td>November 22, 2019</td>
</tr>
<tr>
<td>1st quarter revenues, Fiscal 2019</td>
<td>January 10, 2019</td>
</tr>
<tr>
<td>Annual Shareholders’ Meeting 2019</td>
<td>January 22, 2019</td>
</tr>
<tr>
<td>Dividend ex-date</td>
<td>January 30, 2019</td>
</tr>
<tr>
<td>Dividend record date</td>
<td>January 31, 2019</td>
</tr>
<tr>
<td>Dividend payment date</td>
<td>February 1, 2019</td>
</tr>
<tr>
<td>1st half results – Fiscal 2019</td>
<td>April 11, 2019</td>
</tr>
<tr>
<td>Nine month revenues, Fiscal 2019</td>
<td>July 8, 2019</td>
</tr>
<tr>
<td>Annual results, Fiscal 2019</td>
<td>November 7, 2019</td>
</tr>
<tr>
<td>Annual Shareholders’ Meeting 2020</td>
<td>January 22, 2020</td>
</tr>
</tbody>
</table>

These dates are purely indicative, and are subject to change without notice. Regular updates are available in the calendar on our website [www.sodexo.com](http://www.sodexo.com)
**SODEXO KEY FIGURES**

- Founded in 1966 by Pierre Bellon
- Main Shareholders as 31/08/2018:
  - Bellon S.A 42.2% of capital (57.2% of voting rights)
  - International Institutional investors 43%

- €20.4bn revenues
- 460,000 employees
- 19th largest employer worldwide
- 100 million consumers served daily
- 72 countries
- €13bn market capitalization
  - November 7, 2018

Appendix 15

INVESTOR RELATION CONTACT

Head of Investor Relations
- Virginia JEANSON
  Tel: + 33 1 57 75 80 56
  virginia.jeanson@sodexo.com

Investor Relations Manager
- Sarah JAMALI-KLEIN
  Tel: + 33 1 57 75 83 68
  sarah.jamali@sodexo.com

Investor Relations Coordinator
- Cynthia CATTY
  Tel: + 33 1 57 75 80 54
  cynthia.catty@sodexo.com

Sodexo
255 Quai de la Bataille de Stalingrad
92130 Issy-Les-Moulineaux

Email: communication.financiere@sodexo.com

www.sodexo.com

Thank you!