NOTICE OF MEETING

Combined Ordinary and Extraordinary Shareholders' Meeting

Tuesday, January 26, 2016 at 3:30 p.m.
at PRE CATELAN
Route de Suresnes – Bois de Boulogne – 75016 Paris

Issy-les-Moulineaux, January 6, 2016

Dear Madam, Dear Sir, Dear Shareholder,

It is my pleasure to invite you to the SODEXO Annual Shareholders' Meeting convened at 3:30 pm on Tuesday, January 26, 2016 at Pré Catelan – Route de Suresnes – Bois de Boulogne – 75016 Paris.

I hope you will attend in person. During this meeting, we will comment on our Group's results and its outlook for the future. You will have the opportunity to ask questions and vote on the resolutions submitted for your approval.

In the following pages, you will find all the information you need to participate in this meeting.

In addition, you will also be able to view a live webcast of the General Meeting on our website www.sodexo.com.

Yours sincerely,

Pierre Bellon
Chairman of the Board of Directors

255, quai de la Bataille de Stalingrad – 92866 Issy-les-Moulineaux - France
Tel.: +33 (0)1 30 85 75 00

Sodexo SA with a capital of 628,528,100 € - RCS Nanterre 301 940 219
www.sodexo.com

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The prior notice of this Shareholders' Meeting was published on December 18, 2015 in the *Bulletin des Annonces Légales Obligatoires* (French bulletin of legal notices) in accordance with article R.225-73 of the French Commercial Code.

The documents and information related to this Shareholders' Meeting are made available to shareholders in accordance with the applicable regulation and, in particular, information referred to by article R.225-73-1 of the French Commercial Code may be consulted on the website www.sodexo.com (*Finance – Shareholders' meeting section*).

By accessing www.sodexo.com (*Finance – Shareholders' meeting section*), you can also view a live webcast of the Shareholders' Meeting and consult the Fiscal 2015 Registration Document (filed with the *Autorité des Marchés Financiers* - French financial markets Authority - on November 20, 2015 and including information provided by article R.225-83 of the French Commercial Code).

For further information:

SODEXO
Group Legal Department
255, quai de la Bataille de Stalingrad
92866 ISSY-LES-MOULINEAUX Cedex 9 - FRANCE
Tel.: +33 (0)1 57 75 81 12

How to participate in the Annual General Meeting?

What are the requirements for attending the Meeting?

In order to participate in the Meeting, shareholders must provide proof of share ownership, through registration of their shares in registered account in their name or in the name of the intermediary duly registered to act on their behalf in either the shareholders' register or in the bearer registries maintained by their intermediary. They must provide such proof by **midnight, Paris time, going on Friday January 22, 2016** (the second legal working day preceding the Meeting, hereafter: « N-2 »).

- **For registered shareholders**, N-2 registration in the shareholders' register is sufficient to be able to attend the Meeting.
- **For holders of bearer shares**, it is the registered intermediary managing the share account who, upon request of bearer shares wishing to attend the Meeting, directly provides proof that their clients are shareholders. This proof is provided to Société Générale (the meeting registrar appointed by Sodexo) by producing a certificate of attendance attached to the single form that is used for voting by proxy or by post or for requesting an admission card in the shareholder's name or on behalf of the shareholder represented by the intermediary.

Attending the Meeting in person?

Shareholders wishing to attend the Meeting in person must request an admission card. To obtain this card, **tick box A** in the upper portion of the form, and **date and sign the bottom of the form**. Holders of bearer shares who have not received their admission cards on Friday January 22, 2016, must ask their intermediary to issue them an attendance certificate, which they may then present to the Meeting reception desk as proof that they are shareholders as of N-2.

Voting will be carried out using an electronic voting box.

In order to facilitate the conduct of the Meeting, please:

1. arrive promptly as from 1:30 p.m. to sign the attendance register at the Meeting registrar's desk if you have your admission card, and, if not, report to the reception desk;
2. enter the Meeting room with the electronic voting box given to you when signing the attendance register;
3. follow the instructions given at the Meeting on how to use the voting box.

How to vote at the Meeting?

All shareholders have four options:

- **Attend the Meeting in person**;
- **Authorise the Chairman of the Meeting to vote on their behalf**;
- **Assign proxy to a third party** ;
- **Vote by post.**

In all cases, shareholders must complete the attached form and return it to their registered intermediary using the envelope provided.

Any shareholder who has already voted by post or by proxy or requested an admission card may no longer choose an alternative means of participating, but is allowed to sell some or all of his shares.

Vote by post or by proxy?

Shareholders who are unable to attend the Meeting in person may choose one of the following three options:

- **Vote by post**: tick the box next to « I vote by post »; to vote YES on the resolutions: do not blacken the corresponding boxes / to vote NO or abstain on certain proposed resolutions: blacken individually the corresponding boxes. Do not forget to complete the « amendments and new resolutions » box and to date and sign the form;
- **Appoint the Chairman as your proxy**: tick the box « I appoint the Chairman as my proxy», date and sign the form. In this case, a vote will be cast on your behalf in favour of the draft resolutions approved by the Board of Directors;
- **Appoint a third party as your proxy**: tick the box next to « I hereby appoint », complete the details of the person who will represent you, date and sign the form.

The **notification of the appointment or withdrawal of a proxy** can also be made **via an electronic mail**. In this case:

- **For registered shareholders**: send an email bearing an electronic signature, obtained from a certifying authority in accordance with the applicable regulation, to the e-mail address mandataireAG.group@sodexo.com, stating their surname, first name and address, and their **Société Générale user ID for those whose shares are registered with Société Générale** (information available on the top left-hand corner of their account statement) or **for the others their user ID with their financial intermediary**, and the surname and first name of the proxy appointed or withdrawn;

- **For holders of bearer shares**: send an email bearing an electronic signature, obtained from a certifying authority in accordance with the applicable regulation, to the e-mail address mandataireAG.group@sodexo.com, stating their surname, first name, address and complete bank details, together with the surname and first name of the proxy appointed or withdrawn. Then, they need to ask their financial intermediary in charge of their securities account to send a written confirmation (by mail or fax) to the Department for Shareholders' Meetings (*service Assemblées*) at Société Générale (CS 30812, 44308 Nantes Cedex 3, France – Fax +33 (0)2 51 85 57 01).

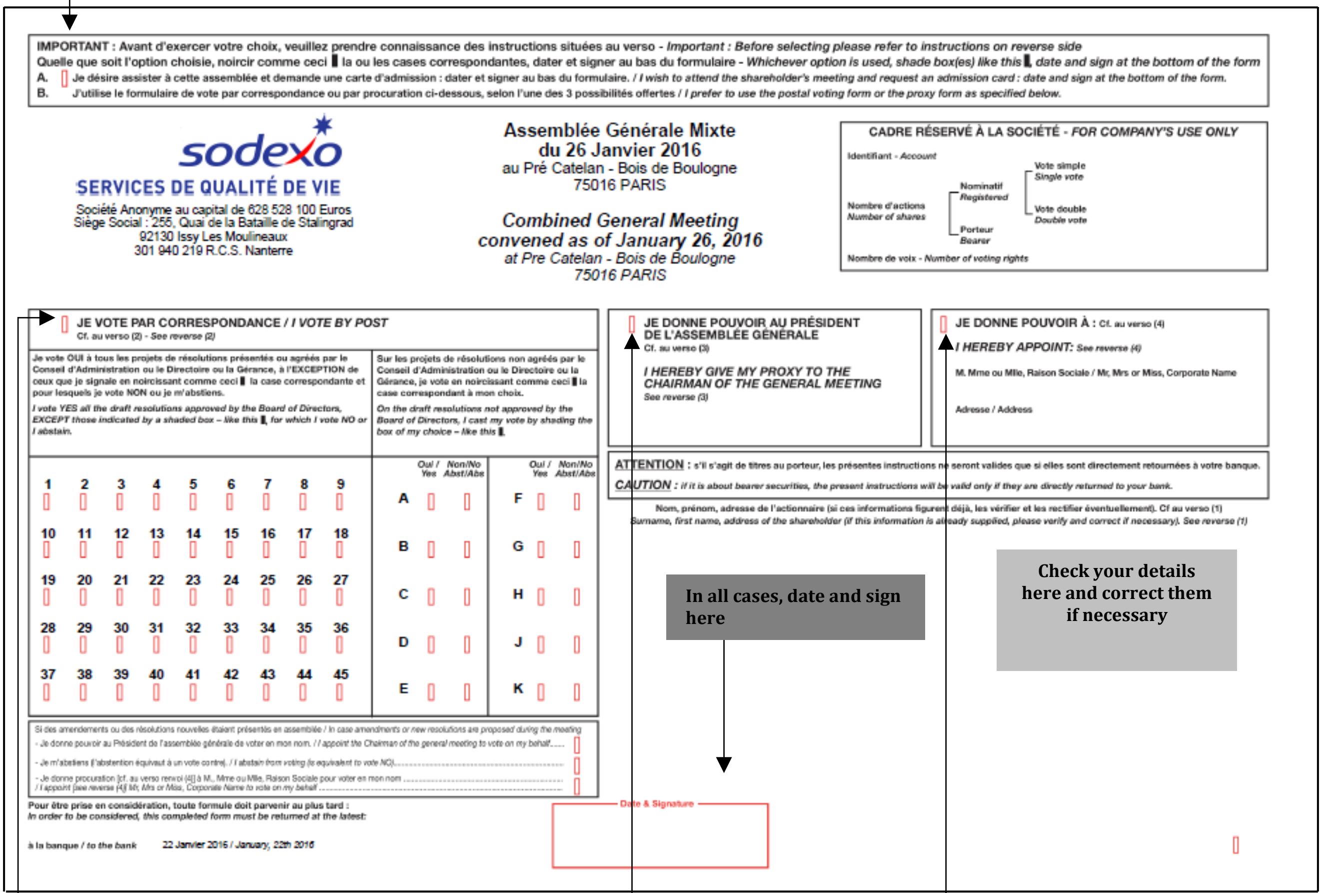
For the appointment or withdrawal of proxies made via an electronic mail, to be taken into account, duly signed and completed notifications must be received on Friday January 22, 2016.

Please note that the e-mail address mandataireAG.group@sodexo.com should only be used for requests to appoint/withdraw a proxy; requests of any other nature will not be processed.

In order to take into account vote by post or by proxy, the corresponding duly completed forms must be received - together with the certificate of attendance for bearer shares - by Société Générale (Service des Assemblées – CS 30812 – 44308 Nantes Cedex 3, France), on Friday January 22, 2016 at the latest.

How to complete your Form?

You wish to attend the Meeting in person: tick A.


IMPORTANT : Avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso - *Important : Before selecting please refer to instructions on reverse side*
Quelle que soit l'option choisie, noircir comme ceci ▮ la ou les cases correspondantes, dater et signer au bas du formulaire - *Whichever option is used, shade box(es) like this ▮, date and sign at the bottom of the form*
A. Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire. / *I wish to attend the shareholder's meeting and request an admission card : date and sign at the bottom of the form.*
B. J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / *I prefer to use the postal voting form or the proxy form as specified below.*

sodexo
SERVICES DE QUALITÉ DE VIE
Société Anonyme au capital de 628 528 100 Euros
Siège Social : 255, Quai de la Bataille de Stalingrad
92130 Issy Les Moulineaux
301 940 219 R.C.S. Nanterre

Assemblée Générale Mixte
du 26 Janvier 2016
au Pré Catelan - Bois de Boulogne
75016 PARIS

Combined General Meeting
convened as of January 26, 2016
at Pre Catelan - Bois de Boulogne
75016 PARIS

CADRE RÉSERVÉ À LA SOCIÉTÉ - *FOR COMPANY'S USE ONLY*
Identifiant - *Account*
Nombre d'actions - *Number of shares*
Nominatif - *Registered*
Porteur - *Bearer*
Vote simple - *Single vote*
Vote double - *Double vote*
Nombre de voix - *Number of voting rights*

JE VOTE PAR CORRESPONDANCE / *I VOTE BY POST*
Cf. au verso (2) - *See reverse (2)*

Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noircissant comme ceci ▮ la case correspondante et pour lesquels je vote NON ou je m'abstiens.
I vote YES all the draft resolutions approved by the Board of Directors, EXCEPT those indicated by a shaded box – like this ▮, for which I vote NO or I abstain.

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noircissant comme ceci ▮ la case correspondant à mon choix.
On the draft resolutions not approved by the Board of Directors, I cast my vote by shading the box of my choice – like this ▮.

										Oui / Yes	Non/No Abst/Abs		Oui / Yes	Non/No Abst/Abs
1	2	3	4	5	6	7	8	9	A			F		
10	11	12	13	14	15	16	17	18	B			G		
19	20	21	22	23	24	25	26	27	C			H		
28	29	30	31	32	33	34	35	36	D			J		
37	38	39	40	41	42	43	44	45	E			K		

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / *In case amendments or new resolutions are proposed during the meeting*
- Je donne pouvoir au Président de l'assemblée générale de voter en mon nom. / *I appoint the Chairman of the general meeting to vote on my behalf*
- Je m'abstiens (l'abstention équivaut à un vote contre). / *I abstain from voting (is equivalent to vote NO)*
- Je donne procuration [cf. au verso renvoi (4)] à M., Mme ou Mlle, Raison Sociale pour voter en mon nom / *I appoint [see reverse (4)] Mr, Mrs or Miss, Corporate Name to vote on my behalf*

Pour être prise en considération, toute formule doit parvenir au plus tard :
In order to be considered, this completed form must be returned at the latest:
à la banque / *to the bank* 22 Janvier 2016 / *January, 22th 2016*

JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE
Cf. au verso (3)
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
See reverse (3)

JE DONNE POUVOIR À : Cf. au verso (4)
I HEREBY APPOINT: See reverse (4)
M. Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name
Adresse / Address

ATTENTION : s'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement retournées à votre banque.
CAUTION : if it is about bearer securities, the present instructions will be valid only if they are directly returned to your bank.

Nom, prénom, adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement). Cf au verso (1)
Surname, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary). See reverse (1)

In all cases, date and sign here

Check your details here and correct them if necessary

Date & Signature

You wish to vote by post: tick this box and follow the instructions.

You wish to give proxy to the Chairman of the Meeting: tick this box.

You wish to give proxy to someone attending the Meeting and voting on your behalf: tick this box and fill in the person's name.

Agenda
of Combined Ordinary and Extraordinary Shareholders' Meeting of January 26, 2016

ORDINARY BUSINESS

1. Adoption of the annual consolidated financial statements, Fiscal 2015
2. Allocation of earnings – Declaration of dividend
3. Related party agreements and commitments
4. Renewal of directorship of Robert Baconnier
5. Renewal of directorship of Astrid Bellon
6. Renewal of directorship of François-Xavier Bellon
7. Election of Emmanuel Babeau as a director
8. Opinion on the elements of compensation and benefits due or awarded to Pierre Bellon, Chairman of the Board of Directors for the fiscal year ended August 31, 2015
9. Opinion on the elements of compensation and benefits due or awarded to Michel Landel, Chief Executive Officer for the fiscal year ended August 31, 2015
10. Authorization to the Board of Directors for the Company to purchase treasury shares

EXTRAORDINARY BUSINESS

11. Authorization to reduce issued capital through cancellation of treasury shares
12. Delegation of powers to the Board of Directors to increase issued capital through the issuance – with preferential subscription rights for shareholders – ordinary shares and/or other securities giving access to capital
13. Delegation of powers to the Board of Directors to increase the issued capital by capitalization of premiums, reserves or profits
14. Authorization to the Board of Directors to grant existing and/or to be issued free shares of the Company to all or certain employees and/or corporate officers of the Group; automatic waiver of shareholders' preferential subscription rights
15. Delegation of powers to the Board of Directors to increase the issued capital via the issuance of ordinary shares and/or securities giving access to the capital reserved for members of Employee Share Purchase plans, with waiver of preferential rights in favor of the latter
16. Amendment of article 16.2 of the by-laws following publication of the decree of December 8, 2014 modifying the cut-off date for the preparation of the list of shareholders authorized to participate in Shareholders' Meetings

ORDINARY BUSINESS

17. Powers

Presentation of the resolutions submitted to the Combined Ordinary and Extraordinary Shareholders' Meeting of January 26, 2016

1. ORDINARY BUSINESS

- Adoption of the annual and consolidated financial statements (first resolution)

The Board of Directors is requesting the Shareholders' Meeting to adopt the individual company financial statements of Sodexo for Fiscal 2015 presenting net income of 324 million euro and the consolidated financial statements of the Group presenting profit attributable to equity holders of the parent of 700 million euro.

- Appropriation of net income for the fiscal year and dividend (second resolution)

This resolution relates to appropriation of net income for Fiscal 2015 and the distribution of a dividend. The Board of Directors is requesting the Shareholders' Meeting's approval of its proposal to distribute a cash dividend of 2.20 euro per share, an increase of 22.2% over the prior year.

In addition, shares held in registered form since at least August 31, 2011 and still held when the Fiscal 2015 dividend becomes payable, will automatically be entitled, without any additional formality, to a 10% dividend premium, representing an additional 0.22 euro per share. The number of shares eligible for this dividend premium may not exceed 0.5% of the share capital for any single shareholder (corresponding to a maximum of 785,660 shares per shareholder based on the Company's capital as of August 31, 2015).

The dividend and dividend premium (for eligible shares) will become payable on February 10, 2016, with a Euronext Paris ex-dividend date of February 8, 2016. The record date – *i.e.* the date before which an investor must own the shares in order to receive the dividend – will be February 9, 2016.

- Regulated related party agreements and commitments (third resolution)

This resolution is intended to note that no new regulated related party agreement or commitment, as defined in articles L.225-38 and L.225-42-1 of the French Commercial Code was entered into in Fiscal 2015, as mentioned in the Statutory Auditors' Report on regulated agreements and commitments presented in section 4.4.2 of the Registration Document. This report also presents information on agreements and commitments entered into and approved by the shareholders in prior years and applicable during Fiscal 2015.

- Re-election and election of directors (fourth to seventh resolutions)

The directorships of Robert Baconnier, François-Xavier Bellon and Astrid Bellon expire at the close of the Annual Shareholders' Meeting on January 26, 2016.

The Board of Directors is proposing, on the recommendation of the Nominating Committee, that the shareholders re-elect Robert Baconnier, François-Xavier Bellon and Astrid Bellon to the Board for a period of three years ending at the close of the Annual Shareholders' Meeting called to adopt the financial statements for the fiscal year ended August 31, 2018.

Also on the recommendation of the Nominating Committee, the Board of Directors is proposing, in the seventh resolution, that the shareholders elect Emmanuel Babeau to the Board for a period of three years ending at the close of the Annual Shareholders' Meeting called to adopt the financial statements for the fiscal year ended August 31, 2018. If elected, Mr Babeau will be qualified as an independent director by the Board, in line with the recommendation of the Nominating Committee. Mr Babeau will contribute to the Board his expertise in finance and his experience in the field of risk management.

Biographical information on these directors is provided in section 7.1.1.2 of this Registration Document.

Peter Thompson, a director since February 8, 2005 whose current term expires at the close of the Shareholders' Meeting of January 26, 2016, has stated that he does not wish to stand for re-election. Pierre Bellon thanked Peter Thompson, personally and on behalf of the Board of Directors and all of the shareholders, for giving the Group the benefit of his extensive experience.

- <u>Opinion on the elements of compensation and benefits due or awarded for Fiscal 2015 to each corporate officer (eighth and ninth resolutions)</u>

Pursuant to the recommendations in the AFEP-MEDEF Code of corporate governance for listed companies, as revised in June 2013 (section 24.3) – to which the Company refers for Corporate Governance matters in application of article L.225-37 of the French Commercial Code – shareholders are invited in the eighth and ninth resolutions to give their opinion on the compensation and benefits due or awarded for Fiscal 2015 to each corporate officer, namely Pierre Bellon, Chairman of the Board of Directors, and Michel Landel, Chief Executive Officer. Further information on these corporate officers' compensation and benefits is provided in section 7.3.1 of this Registration Document.

Compensation and benefits due or awarded for Fiscal 2015 to Pierre Bellon, Chairman of the Board of Directors

Type of compensation or benefits	Amount	Comments
Director's fees	€43,000	The amount paid to each director is calculated in accordance with the Board of Directors' Internal Rules and the criteria set out in section 7.3.2.1 of this Registration Document.

In his capacity as Chairman of the Company's Board of Directors, Pierre Bellon does not receive any of the following types of compensation or benefits: fixed salary, annual bonus, multi-year bonus, exceptional bonus, stock options, performance shares, compensation for loss of office, supplemental retirement benefits or any other type of benefit.

Compensation and benefits due or awarded for Fiscal 2015 to Michel Landel, Chief Executive Officer

Type of compensation or benefits	Amount	Comments
Fixed salary	€933,400	Pre-tax gross amount due for the fiscal year. The Chief Executive Officer's salary has been unchanged since January 1, 2011.
Annual bonus	€1,432,491	Variable compensation comprised of the bonus due for Fiscal 2015 (which will be paid during Fiscal 2016) corresponding to 149% of the fixed compensation due for the same fiscal year (given that objectives were exceeded) and travel allowances paid during Fiscal 2015 for which the amount varies depending on the countries visited and the duration of the stay. The bonus is based for 80% on quantitative targets based on the financial performance achieved by the Group for the year and for 20% on non-financial objectives. These criteria and their achievement level are detailed in Section 7.3.1.2 of this Registration Document (compensation of the Chief Executive Officer).
Stock options and performance shares	40,000 performance shares valued at €2,468,400 based on the method used for the preparation of the consolidated financial statements	On April 27, 2015 the Board of Directors used the authorization granted in the twelfth resolution of the January 21, 2013 Annual Shareholders' Meeting to grant Michel Landel 40,000 performance shares (representing 4.71% of the total number of free shares and performance shares allocated by the Board during the fiscal year). These shares will vest only under the following circumstances: (i) for 50% of these shares, the average annual growth in Group net income is at least 6% in Fiscal 2017 compared to a base amount of 490 million euro in Fiscal 2014 (the growth rate will be calculated by applying the average exchange rates), and (ii) for the other 50% of shares, the TSR increases by at least 20% between August 31, 2014 and the Annual Shareholders' Meeting called to approve the Fiscal 2017 financial statements. This target assumes annual average growth in the share price in line with that of net income. No stock options were granted to Michel Landel during Fiscal 2015.
Compensation for loss of office	No amounts due or paid	As decided by the Board of Directors on November 6, 2008 and approved by the Annual Shareholders' Meeting of January 19, 2009 (fifth resolution), Michel Landel is entitled to compensation in the event of termination of his appointment as Chief Executive Officer (excluding voluntary termination or retirement and unless revoked for cause), for which a payment will be made to him in an amount equal to twice the gross annual compensation (fixed and variable) received during the 12 months preceding the termination. This indemnity will only be paid if, the annual increase in Sodexo's consolidated operating profit is equal to or higher than 5% at constant consolidation scope and currency exchange rate, for each of the three fiscal years ended prior to the termination of the appointment.
Supplemental retirement plan	No amounts due or paid	Michel Landel's supplemental defined benefit retirement plan provides for payment of a pension amounting to 15% of his average fixed annual salary paid to him during the last three years of employment preceding his retirement. This pension is in addition to the pensions due to him under compulsory retirement plans, provided that he is employed by, or is a corporate officer of, the Company

		at the time of his retirement. The cumulative liability under the plan as of August 31, 2015 was 2,878,855 euro and the charge recognized for Fiscal 2015 was 180,015 euro. Based on Michel Landel's current compensation, this would represent an annual pension of 140,010 euro. Consequently, on the basis of current data, the total aggregate amount of the pensions to be paid to Michel Landel – gross amounts before tax and taking as well into account the pensions due to him under compulsory retirement plans – would amount to approximately 237,000 euro per year.
Other benefits	€2,400	Michel Landel has the use of a company car.

Michel Landel does not receive any of the following types of compensation or benefits: multi-year bonus, exceptional bonus, or director's fees in his capacity as a member of the Company's Board of Directors.

- Share repurchases (tenth resolution)

The Board of Directors is requesting the Shareholders' Meeting to renew the authorization to purchase treasury shares under articles L.225-209 *et seq.* of the French Commercial Code.

This authorization would be valid for a period of eighteen months and would replace the previous authorization granted by the Shareholders' Meeting on January 19, 2015.

It would allow for the implementation of a share repurchase program capped at 10% of the Company's issued capital as of the date of the Shareholders' Meeting, with the following characteristics:

- maximum purchase price per share: 105 euro;
- total maximum amount: 990 million euro;
- the program can be implemented at any time except when a public tender offer is underway, subject to the limits stipulated in the relevant laws and regulations, and can be carried out by any means.

The objectives of the share repurchase program are provided in the resolutions submitted to the Shareholders' Meeting and notably include cancelling the shares by reducing the issued capital, the granting or selling of shares to employees or corporate officers in connection with any stock option plans, free share grants or employee share purchase plans, market-making in Sodexo shares in connection with a liquidity contract, transferring shares in connection with acquisition transactions or in connection with the exercise of rights on shares issued by the Company. The shares purchased pursuant to this delegation of powers may be allocated by the Board of Directors to program objectives other than the ones initially followed, in accordance with applicable laws and regulations.

As in prior years, the resolution stipulates that the authorization may not be used while a public tender offer is underway. Concerning the new rules introduced in the Act of March 29, 2014 ("Florange Act"), the Board of Directors wishes to maintain the shareholders' right to decide whether share repurchases should be allowed in the event of a public tender offer.

As of August 31, 2015, the percentage of treasury shares held by the Company was 3.09% (refer to section 5.1.2.4 of this Registration Document for additional information on the use of the share repurchase program during Fiscal 2015).

2. EXTRAORDINARY BUSINESS

- Capital reduction by cancellation of treasury shares (eleventh resolution)

The Board of Directors is proposing that the Annual Shareholders' Meeting renew the authorization to reduce the share capital through the cancellation of some or all of the shares purchased under the Company's share repurchase program, up to a maximum (per 24-month period) of 10% of the total number of shares of the Company's capital as of the date of the Annual Shareholders' Meeting.

This authorization would be valid for a period of 26 months and would replace the authorization to the same effect given by the Shareholders' Meeting of January 21, 2014.

No shares were canceled by the Board of Directors during Fiscal 2015.

- Increase in issued capital with maintenance of preferential subscription rights and through capitalization of premiums, reserves or profits (twelfth and thirteenth resolutions)

The Board of Directors is proposing that the Annual Shareholders' Meeting renew the delegations of powers given to it to act in the best interests of the Company, to decide when appropriate and on the most appropriate terms and conditions (in light of opportunities arising on the financial markets) to increase the permanent capital of the Company.

The authorization given under the twelfth resolution will enable the Board of Directors to decide to increase the issued capital on one or more occasions, maintaining shareholders' preferential subscription rights, via the issuance of ordinary shares (therefore excluding preferential shares) and/or any other securities giving access, immediately and/or at a later date, to the ordinary shares of the Company, within the following limits:

- the maximum nominal amount of the capital increases that may be carried out may not exceed 100 million euro (representing approximately 16% of the capital) to which will be added, as appropriate, the additional amount representing shares to be issued in order to safeguard the rights of holders of securities giving access to the capital, as required by law. The amount of 100 million euro represents a global ceiling from which will be deducted the amount of any capital increases carried out pursuant to the thirteenth resolution (Increase in issued capital through capitalization of premiums, reserves or profits) and fifteenth resolution (Capital increase reserved for members of employee share purchase plans);
- the total nominal amount of debt securities that may be issued may not exceed 1 billion euro.

The authorization given under the thirteenth resolution will allow the Board of Directors to proceed with capital increases by capitalization, on one or more occasions, of all or part of the premiums, reserves or profits permitted to be capitalized under law and the bylaws, by means of allocation of new bonus shares for no consideration or by increasing the par value of existing shares, or both; the maximum nominal amount of capital increases that may be carried out in this manner may not exceed 100 million euro.

The Act of March 29, 2014 ("Florange Act") gives the Board of Directors full powers to make any decisions that would be likely to cause an unsolicited public tender offer to fail, without seeking the prior authorization of the Shareholders' Meeting. However, the Shareholders' Meeting remains free to restrict the Board of Directors' use of financial delegations of power while a public tender offer is underway. To enable shareholders to decide whether the Board of Directors should be authorized to carry out the issues covered by the thirteenth and fourteenth resolutions while a public tender offer is underway, the Board proposes to stipulate in the related resolutions that these financial delegations would be suspended while any such offer is in progress.

These delegations of power would be valid for a period of 26 months and would replace the previous delegations given by the Annual Shareholders' Meeting of January 21, 2014.

- Free grant of existing or to be issued shares to group employees and/or the corporate officers fourteenth resolution)

In application of articles L.225-197-1 *et seq*. of the Commercial Code, the Board of Directors requests that the Shareholders' Meeting authorize the free granting of existing shares and/or shares to be issued by the Company, for the benefit of all or certain employees and/or corporate officers of the Company and/or companies or related combinations under the conditions imposed by article L.225-197-2 of the Commercial Code.

The number of existing and/or new shares granted to employees may not exceed 2.5% of the issued capital as of the date of the decision made by the Board of Directors and 1.5% of the share capital during a single fiscal year. Final grants may be subject to achieving one or more performance conditions as determined by the Board of Directors.

Shares granted to the Chief Executive Officer (corporate officer) may not represent more than 5% of the total free shares granted by the Board of Directors during each fiscal year pursuant to this authorization and their final grant will be entirely subject to the achievement of one or more performance conditions as determined by the Board of Directors.

Vesting and lock-up periods will be determined by the Board of Directors and will not be shorter than those envisaged by the Commercial Code as of the date of the Board of Directors' decision. However, the Board of Directors could, if the vesting period for all or part of one or several grants is at least two years, not require any lock-up period for those shares. The Board of Directors will be authorized to determine different vesting and lock-up periods according to the existing laws in the countries of residence of the grantees.

The Board will have all powers necessary, subject to the conditions required by law, to make free share grants and in particular to determine whether the shares granted are existing shares or new shares to be issued.

This authorization would be valid for a period of thirty-eight months and would replace the authorization to the same effect given by the Shareholders' Meeting of January 21, 2013.

- Capital increase reserved for members of employee share purchase plans (fifteenth resolution)

Under French law, any Shareholders' Meeting that is asked to decide on or authorize an increase in issued capital by cash offer (as in the case for the twelfth resolution) is also required to approve a resolution to carry out a capital increase reserved for employees who are members of an employee share purchase plan (French Commercial Code, article L.225-129-6 para. 1).

The Board of Directors therefore proposes that the Shareholders' Meeting renew the delegation of powers to increase the issued capital through the issuance of ordinary shares or other securities for the benefit of the members of an employee share purchase plan with waiver of preferential subscription rights.

The maximum total number of new shares potentially issuable pursuant to this delegation would not exceed 1.5% of the issued capital as of the date of the decision made by the Board of Directors (this ceiling will be deducted from the global ceiling of a maximum total nominal amount of 100 million euro set forth in the twelfth resolution); the price at which grantees may purchase the shares would be set by the Board of Directors and could not be more than 20% less than the average price for the twenty trading sessions preceding the date of the decision setting the opening date of the plan. The Board could reduce or eliminate the discount, at its discretion, notably in order to comply with local legal, accounting and tax regimes and labor laws.

This delegation would be valid for a period of 26 months and would replace the previous delegation given by the Shareholders' Meeting of January 21, 2014.

As of August 31, 2015, shares held by employees represented 0.75% of the Company's capital.

- Amendment of article 16.2 of the bylaws concerning the conditions for participating in Shareholders' Meetings (sixteenth resolution)

The French decree 2014-1466 dated December 8, 2014 amended the cut-off date for preparing the list of shareholders authorized to participate in a Shareholders' Meeting (corresponding to the deadline for having the shares registered or recorded in the holder's name, referred to as the "the record date"). The record date is now 12:00 a.m. Paris time on the second business day preceding the Shareholders' Meeting.

Article 16.2 of the bylaws setting the record date on the third business day preceding the Shareholders' Meeting has therefore become obsolete and the Board of Directors is proposing to the Shareholders' Meeting, in the sixteenth resolution, to amend and simplify this article by making reference to the applicable regulations.

3. ORDINARY BUSINESS

- Powers to perform formalities (seventeenth resolution)

This standard resolution concerns the conferring of powers to perform all formalities and filings relating to the resolutions approved by the Shareholders' Meeting.

Text of resolutions submitted to the Combined Ordinary and Extraordinary Shareholders’ Meeting of January 26, 2016

ORDINARY RESOLUTIONS

- First resolution

(Adoption of the annual and consolidated financial statements, Fiscal 2015)

The Shareholders’ Meeting, having heard the Report of the Board of Directors and the related Chairman’s Report attached thereto, and the Statutory Auditors’ Reports on the individual company financial statements, the consolidated financial statements and the Chairman’s Report, adopts the individual company financial statements for the year ended August 31, 2015 as presented, presenting net income of 324 million euro, and the consolidated financial statements for the year ended August 31, 2015, presenting profit attributable to equity holders of the parent of 700 million euro.

The Shareholders’ Meeting also approves the transactions reflected in these financial statements and/or described in these reports.

- Second resolution

(Allocation of earnings – Declaration of dividend)

In accordance with the proposal made by the Board of Directors, the Shareholders’ Meeting resolves:

to allocate net income for Fiscal 2015 of	324,129,494 euro
plus retained earnings as of the close of Fiscal 2015 of	988,627,614 euro
Making a total available for distribution of	**1,312,757,108 euro**
In the following manner:	
• dividend (on the basis of 157,132,025 shares comprising the share capital as of August 31, 2015)	345,690,455 euro
• a 10% dividend premium (on the basis of 6,270,193 shares held in registered form as of August 31, 2015 that are eligible for the dividend premium after application of the limitation of 0.5% of capital per shareholder)	1,379,442 euro
• retained earnings	965,687,211 euro
TOTAL	**1,312,757,108 EURO**

Accordingly, the Shareholders’ Meeting resolves that a dividend of 2.20 euro will be paid on each share having a right to receive a dividend.

In accordance with the Company’s bylaws, shares held in registered form since at least August 31, 2011 and which are still held in such form when the dividend for Fiscal 2015 becomes payable, will automatically be entitled to a 10% dividend premium, representing an additional 0.22 euro per share. The number of shares eligible for this dividend premium may not represent over 0.5% of the share capital for any single shareholder (corresponding to a maximum of 785,660 shares per shareholder based on the Company’s capital as of August 31, 2015).

The dividend and dividend premium (for eligible shares) will become payable on February 10, 2016, with a Euronext Paris ex-dividend date of February 8, 2016. The record date will be February 9, 2016.

In the event that the Company holds some of its own shares as of the payment date, the dividend due on these shares will not be paid and will be transferred to retained earnings. Similarly, if any of the 6,270,193 shares held in registered form that are eligible for the dividend premium as of August 31, 2015 cease to be recorded in registered form between September 1, 2015 and the date on which the dividend becomes payable, the amount of the dividend premium due on such shares will not be paid and instead will be transferred to retained earnings.

Pursuant to article 243 *bis* of the French General Tax Code, the full amount of the proposed dividend (including the dividend premium) qualifies for the allowance available to individuals domiciled in France for tax purposes, as provided for in article 158-3 2° of the French General Tax Code.

The Shareholders' Meeting notes the Board of Directors' summary of dividends paid by the Company in respect of the last three fiscal years, as follows:

	Fiscal 2014 (paid in 2015)	**Fiscal 2013 (paid in 2014)**	**Fiscal 2012 (paid in 2013)**
Dividend per share*	€1.80	€1.62	€1.59
Total payout	€275,504,402	€247,423,253	€240,067,214

* *Dividend fully eligible for the 40% allowance applicable to individuals domiciled for tax purposes in France, as provided for in article 158-3 2° of the French General Tax Code.*

- Third resolution

(Related party agreements and commitments)

The Shareholders' Meeting, having heard the Statutory Auditors' Report on regulated agreements and commitments provided for in article L.225-40 of the French Commercial Code, notes that no new agreements or commitments governed by articles L.225-38 and L.225-42-1 of the French Commercial Code were entered into during Fiscal 2015.

- Fourth resolution

(Renewal of the directorship of Robert Baconnier)

The Shareholders' Meeting, having heard the report of the Board of Directors and noting that the directorship of Robert Baconnier expires this day, resolves to renew his directorship for a period of three years ending at the close of the Ordinary Shareholders' Meeting called to adopt the financial statements for the fiscal year ended August 31, 2018.

- Fifth resolution

(Renewal of the directorship of Astrid Bellon)

The Shareholders' Meeting, having heard the report of the Board of Directors and noting that the directorship of Astrid Bellon expires this day, resolves to renew her directorship for a period of three years ending at the close of the Ordinary Shareholders' Meeting called to adopt the financial statements for the fiscal year ended August 31, 2018.

- Sixth resolution

(Renewal of the directorship of François-Xavier Bellon)

The Shareholders' Meeting, having heard the report of the Board of Directors and noting that the directorship of François-Xavier Bellon expires this day, resolves to renew his directorship for a period of three years ending at the close of the Ordinary Shareholders' Meeting called to adopt the financial statements for the fiscal year ended August 31, 2018.

- Seventh resolution

(Election of Emmanuel Babeau as a director)

The Shareholders' Meeting, having heard the report of the Board of Directors, elects Emmanuel Babeau as a director for a period of three years ending at the close of the Ordinary Shareholders' Meeting called to adopt the financial statements for the fiscal year ended August 31, 2018.

- Eighth resolution

(Opinion on the elements of compensation and benefits due or awarded to Pierre Bellon, Chairman of the Board of Directors for the fiscal year ended August 31, 2015)

The Shareholders' Meeting, having heard the report of the Board of Directors, votes favorably on the compensation and benefits due or awarded to Pierre Bellon, Chairman of the Board of Directors, for the fiscal year ended August 31, 2015, as described in section 7.3.1.1 of the Fiscal 2015 Registration Document and also included in the Board Report.

- Ninth resolution

(Opinion on the elements of compensation and benefits due or awarded to Michel Landel, Chief Executive Officer for the fiscal year ended August 31, 2015)

The Shareholders' Meeting, having heard the report of the Board of Directors, votes favorably on the compensation and benefits due or awarded to Michel Landel, Chief Executive Officer, for the fiscal year ended August 31, 2015, as described in section 7.3.1.2 of the Fiscal 2015 Registration Document and also included in the Board Report.

- Tenth resolution

(Authorization to the Board of Directors for the Company to purchase treasury shares)

The Shareholders' Meeting, having heard the report of the Board of Directors, authorizes the Board of Directors and any duly authorized representative of the Board, to acquire or arrange for the Company to acquire treasury shares in accordance with articles L.225-209 *et seq.* of the French Commercial Code, in particular for the following purposes:

- to cancel the shares by reducing the issued capital, pursuant to the eleventh extraordinary resolution of this Shareholders' Meeting or to any future resolution to the same effect that may be adopted during the period in which this resolution remains valid; or

- to grant free shares in the Company in accordance with articles L.225-197-1 *et seq*. of the French Commercial Code, notably to (i) employees of the Company or of companies or groupings affiliated with it, under the conditions provided for in article L.225-197-2 of said Code, and/or (ii) corporate officers of the Company or of companies or groupings affiliated to it, under the conditions provided for in article L.225-197-1-II of said Code, and/or (iii) any other beneficiary authorized by law to receive such share grants; or

- to implement a stock option plan enabling beneficiaries to acquire – for consideration and by all authorized means – shares of the Company in accordance with articles L.225-177 *et seq.* of the French Commercial Code or any similar plan, with the beneficiaries notably including (i) employees and/or corporate officers of the Company or of companies or groupings affiliated to it, under the conditions provided for in article L.225-180 of said Code, and/or (ii) any other beneficiary authorized by law to receive such stock options; or

- to allocate or sell shares to employees in connection with an employee profit sharing plan or a company or group share purchase plan (or equivalent plan) under the conditions provided for by law including articles L.3332-1 *et seq*. of the French Labor Code; or

- to transfer shares upon exercise of rights attached to securities issued by the Company or, as authorized by law, by entities affiliated with it, which give access to Company shares through reimbursement, conversion, exchange, presentation of a warrant or any other method; or

- to carry out market-making in the shares of Sodexo under a liquidity contract with an investment services provider, prepared in accordance with the Code of conduct recognized by the *Autorité des marchés financiers;* or

- to transfer shares as a means of exchange, payment or otherwise in connection with mergers and acquisitions; or

- generally, to fulfill the obligations related to stock option plans or other share grants to employees or corporate officers of the Company or an affiliated company.

The program is also intended to permit the implementation of any market practices that may be authorized at a future date by the *Autorité des marches financiers* and, generally, the execution of any other transaction that complies with the applicable regulations. In this case, shareholders will be notified by means of a press release.

These transactions may be effected by any method on the stock market or over-the-counter, including by block purchase or disposal. These transactions may take place at any time, outside of periods of public tender offers, subject to the limits imposed by laws and regulations in force at the time.

The Shareholders' Meeting resolves that the maximum number of shares acquired under the present resolution may not exceed 10% of the Company's issued capital as of the date of the present Shareholders' Meeting (*i.e.,* as an indication, as of August 31, 2015, a maximum of 15,713,202 shares), it being stipulated that for the purposes of the present authorization, the number of treasury shares must be taken into account such that the Company does not at any time have more treasury shares than the legally permitted maximum of 10% of shares.

The Shareholders' Meeting resolves that the maximum price paid for shares purchased under this resolution may not exceed 105 euro per share, subject to any adjustments required in the event of transactions involving the Company's capital.

The Shareholders' Meeting resolves that the total amount allocated to the share purchase program may not exceed 990 million euro.

The Shareholders' Meeting acknowledges that this authorization is granted for a period of eighteen (18) months as from the date of this meeting and voids from this day the unused portion of the authorization to the same effect granted in the fourteenth resolution of the Combined Shareholders' Meeting of January 19, 2015.

Full powers are given to the Board of Directors and any duly authorized representative of the Board to decide on and act on the present authorization, to clarify its terms if necessary and determine its specific details, to carry out share purchases and to place stock market orders, and enter into agreements, in particular for the keeping of share purchase and sale registers, to allocate or reallocate purchased shares to the desired objectives in accordance with applicable laws or regulations, to establish the procedures necessary to safeguard, should the need arise, the rights of holders of securities or options, in accordance with applicable laws, regulations or contracts, and to make filings and carry out other formalities, and generally do all that is necessary.

EXTRAORDINARY RESOLUTIONS

- <u>Eleventh resolution</u>

(Authorization to reduce issued capital through cancellation of treasury shares)

The Shareholders' Meeting, having heard the report of the Board of Directors and the Statutory Auditors' Special Report authorizes the Board of Directors, pursuant to article L.225-209 of the French Commercial Code, to cancel, on one or more occasions and within the limit of 10% of the total number of shares in the issued capital as of this Shareholders' Meeting (*i.e.,* a maximum of 15,713,202 shares), by period of twenty-four (24) months, some or all of the shares purchased by the Company under the share repurchase program authorized by the shareholders, and to reduce issued capital accordingly.

The Shareholders' Meeting fully authorizes the Board of Directors and any duly authorized representative of the Board to perform such transactions relating to the cancellation and reduction of capital as may be required pursuant to this authorization, and in particular to apply the difference between the value at purchase of the canceled shares and their par value to available premiums and reserves, including the legal reserve up to the equivalent of 10% of the canceled capital, to amend the bylaws accordingly, to make filings and carry out other formalities, and generally do all that is necessary.

The Shareholders' Meeting acknowledges that this authorization is granted for a period of twenty-six (26) months from the date of this Shareholders' Meeting and voids from this day any unused portion of the authorization to the same effect granted in the twelfth resolution of the Combined Shareholders' Meeting of January 21, 2014.

- <u>Twelfth resolution</u>

(Delegation of powers to the Board of Directors to increase issued capital through the issuance – with preferential subscription rights for shareholders – ordinary shares and/or other securities giving access to capital)

The Shareholders' Meeting, having heard the report of the Board of Directors and the Statutory Auditors' Special Report, as prescribed by the French Commercial Code, and in particular its articles L.225-129 to L.225-129-6 and L.228-91 to L.228-93, and after having noted that the issued capital is fully paid:

1. delegates to the Board of Directors, and any duly authorized representative, the power to increase the capital on one or more occasions with preferential rights maintained, via the issuance, in France or elsewhere, in euro or in any other currency or basket of currencies, ordinary shares (therefore excluding "preference" or "preferred" shares) and/or any other securities giving access in any form, immediately and/or at some later date, to the ordinary shares of the Company, payable in cash or by capitalizing debt or by capitalizing reserves, profits or premiums;

2. sets the duration of the validity of this delegation of powers at twenty-six (26) months, except that it may not be used by the Board of Directors while a public tender offer is in progress;

3. decides that if the Board of Directors utilizes this delegation:

   - the maximum total nominal amount of capital increases that may be carried out pursuant to (i) this delegation and (ii) the thirteenth and fifteenth resolutions of this Shareholders' Meeting (provided said resolutions are adopted), is 100 million euro, to which will be added, as appropriate, the additional amount representing shares to be issued in order to safeguard the rights of holders of securities giving access to the capital, as required by law,

   - the total nominal amount of debt securities that may be issued may not exceed 1 billion euro or equivalent of this amount as of this day in any other currency or basket of currencies,

   - shareholders shall have irreducible rights to the issue or issues in proportion to the shares held by them at the time, the Board of Directors having the power to institute a reducible right to purchase, as prescribed in article L.225-133 of the French Commercial Code,

   - if irreducible, and, where applicable, reducible purchases do not absorb the entire issue, the Board of Directors may at its discretion offer all or part of the shares and/or securities not purchased for sale to the public,

   - the decision to issue securities giving access to the capital shall entail explicit waiver by shareholders, in favor of holders of the securities issued, of their preferential rights to the capital securities to which the securities issued will entitle them;

4. acknowledges that this delegation of powers implies that the Board of Directors or its duly authorized representative will have full powers, as prescribed by law, to implement this resolution and in particular, at its sole discretion, to set the terms of issue, the nature and characteristics of securities giving access to the capital, procedures for the allocation of the capital securities to which these securities entitle the holder, and the dates at which allocation rights may be exercised, to charge costs incurred in the capital increase to premiums pertaining thereto and transfer from this amount the necessary sums to the legal reserve, make all adjustments to the capital of the Company and establish any other procedures necessary in order to safeguard, should the need arise, the rights of holders of securities giving access to the capital (including through cash adjustments), note the completion of capital increases and amend the bylaws accordingly, perform the necessary formalities, enter into all agreements, notably in order to complete the planned issues, and generally do all that is necessary;

5. acknowledges that this delegation of powers voids from this day the unused portion of the delegation to the same effect granted in the thirteenth resolution of the Combined Shareholders' Meeting of January 21, 2014;

6. acknowledges that if the Board of Directors uses the powers given to it herein, the Board of Directors will report on this utilization to the next Ordinary Shareholders' Meeting, as prescribed by the applicable law and regulations.

▪ Thirteenth resolution

(Delegation of powers to the Board of Directors to increase the issued capital by capitalization of premiums, reserves or profits)

The Shareholders' Meeting, deciding in accordance with the requisite quorum and majority voting conditions for Ordinary Meetings, having reviewed the report of the Board of Directors, and pursuant to articles L.225-129 to L.225-129-2 and L.225-130 of the French Commercial Code:

1. delegates to the Board of Directors, and any duly authorized representative, the power to decide to increase the issued capital on one or more occasions, in proportions and at times to be decided at its discretion, by capitalization of all or part of the premiums, reserves or net profit whose capitalization is permitted under law and the bylaws, in the form of the allocation of new bonus shares or by increasing the par value of existing shares, or by a combination of the two procedures;

2. sets the term of this delegation of powers at twenty-six (26) months from the date of this meeting;

3. decides that if the Board of Directors uses the powers delegated herein, the maximum nominal amount of capital increases carried out under this delegation of power is set at 100 million euro, with any such issues being deducted from the global ceiling of 100 million euro set in the twelfth resolution (provided said resolution is adopted) or any global ceiling set in a future resolution adopted while this delegation of powers remains in force), it being stipulated that this ceiling may be increased, if necessary, by the additional number of shares of

the Company required in order to safeguard the rights of holders of securities giving access to the capital, as prescribed by law;

4. acknowledges that this delegation of powers implies that the Board of Directors or its duly authorized representative will have full powers, as prescribed by law, to implement this resolution and in particular to:

    - determine the amount and nature of the amounts to be capitalized; set the number of new shares to be issued and/or the amount by which the par value of existing shares is to be increased; set the date, retroactively if necessary, as of which the new shares will carry rights and the increase in the par value of existing shares will take effect,

    - in the case of the issuance of new shares, decide that (i) rights attaching to odd-lots will not be tradable, and that the corresponding shares will be sold, and that the proceeds of the sale will be allocated to holders of said rights as prescribed by law and regulations, and (ii) the shares to be allocated pursuant to this delegation on the basis of old shares carrying double voting rights and/or the right to a dividend premium shall be eligible for this right as of the time of their issue,

    - make all adjustments required in the event of transactions on the capital of the Company and set the procedures necessary in order to safeguard, should the need arise, the rights of holders of securities giving access to the capital,

    - acknowledge the completion of each capital increase and amend the bylaws accordingly,

    - generally enter into all agreements, take all measures and perform all filings pertaining to the issue, listing and administration of securities issued under the powers conferred herein, and to the exercise of the rights attached thereto;

5. acknowledges that this delegation of powers voids from this day the delegation to the same effect granted in the fourteenth resolution of the Combined Shareholders' Meeting of January 21, 2014.

- Fourteenth resolution

(Authorization to the Board of Directors to grant existing and/or to be issued free shares of the Company to all or certain employees and/or corporate officers of the Group; automatic waiver of shareholders' preferential subscription rights)

The Shareholders' Meeting, having heard the report of the Board of Directors and the Statutory Auditors' Special Report:

1. authorizes the Board of Directors, in application of articles L.225-197-1 *et seq.* of the French Commercial Code, and any duly authorized representative of the Board, to grant on one or more occasions existing free shares and/or free shares to be issued by the Company, for the benefit of all or certain employees and/or corporate officers of the Company and/or companies or related combinations under the conditions imposed by article L.225-197-2 of the French Commercial Code;

2. sets the duration of this authorization at thirty-eight (38) months from the date of the present Shareholders' Meeting;

3. decides that the number of existing and/or new shares granted pursuant to this authorization may not exceed 2.5% of the issued capital as of the date of the decision made by the Board of Directors and 1.5% of the share capital during a single fiscal year, before taking into account any adjustments made to protect grantees' rights;

4. decides that the existing shares and/or shares to be issued may, under the conditions imposed by law, be granted for the benefit of the Chief Executive Officer in his capacity as a corporate officer of the Company, provided that (i) these shares may not represent more than 5% of the total free share grants made during each fiscal year by the Board of Directors; (ii) their final grant will be entirely subject to the achievement of one or more performance conditions as decided by the Board of Directors; and (iii) the number of free shares granted to the Chief Executive Officer in his capacity as a corporate officer that must be held in registered form for as long as he remains in office will be set by the Board of Directors;

5. decides that the granted shares will vest at the end of a vesting period to be determined by the Board of Directors, which will not be shorter than that stipulated in the French Commercial Code as of the date of the Board of Directors' decision, and that grantees will be required to retain the shares during a lock-up period to be determined by the Board of Directors, which will not be shorter than that stipulated in the French Commercial Code as of the date of the Board of Directors' decision. However, the Shareholders' Meeting authorizes the Board of Directors, if the combined vesting period and lock-up period for all or part of one or several grants would be at least two years, not to impose a lock-up period for those shares. The Board of Directors will be authorized to determine different vesting and lock-up periods according to the existing laws in the countries of residence of the grantees;

6. decides that the final grant of existing shares or shares to be issued to employees may be subject to the achievement of one or more performance conditions as determined by the Board of Directors;

7. decides that, if a grantee is subject to category 2 or 3 disability as defined in article L.341-4 of the French Social Security Code or the equivalent in another country, the shares granted to him or her will vest immediately, *i.e.* before the end of the vesting period, and will be freely sellable as from the date they are delivered;

8. notes that if the grants concern shares to be issued, this authorization shall result, as and when the shares are finally granted, in a capital increase by capitalization of reserves, profits or premiums for the benefit of the grantees, and shall entail explicit waiver by the shareholders of their preferential subscription rights to the shares, in favor of the grantees;

9. confers full powers on the Board of Directors or any duly authorized representative, to implement this authorization under the conditions described above and within the limits prescribed by the applicable rules and regulations, and in particular to:

   - determine whether the shares granted are shares to be issued or existing shares,

   - determine the list of grantees, or the category or categories of grantees and the number of shares to be granted in each case,

   - set the terms and conditions of the share issues to be carried out pursuant to this authorization and the dividend-rights dates of the new shares,

   - make all adjustments to beneficiaries' rights that may be required in the event of transactions on the capital of the Company during the vesting period in order to safeguard said rights,

   - note the final grant dates and the dates from which the shares will be freely sellable taking into account legal restrictions,

   - note the completion of each capital increase and amend the bylaws accordingly,

   - provide for the possibility of temporarily suspending the grant rights in the case of a corporate action, and
   - generally, do everything that may be useful or necessary under the applicable laws and regulations,

10. acknowledges that this authorization voids from this day the unused portion of the authorization to the same effect granted in the twelfth resolution of the Combined Shareholders' Meeting dated January 21, 2013.

- <u>Fifteenth resolution</u>

(Delegation of powers to the Board of Directors to increase the issued capital via the issuance of ordinary shares and/or securities giving access to the capital reserved for members of Employee Share Purchase plans, with waiver of preferential rights in favor of the latter)

The Shareholders' Meeting, having heard the report of the Board of Directors and the Statutory Auditors' Special Report, as prescribed in articles L.225-129 *et seq.* and L.225-138-1 of the French Commercial Code, and in articles L.3332-18 to L.3332-24 of the French Labor Code:

1. delegates to the Board of Directors and duly authorized representatives its power to increase the issued capital of the Company, on one or more occasions, via the issuance of ordinary shares and/or securities giving access to the capital, reserved for members of one or more Employee Share Purchase plans (or any other plan to which articles L.3332-1 *et seq.* of the French Labor Code or any similar law or regulations would allow for an increase in capital with equivalent conditions to be reserved) established by the Group comprising the Company and the French or foreign companies included in the Company's consolidated or combined financial statements, as prescribed by article L.3344-1 of the French Labor Code;

2. sets at twenty-six (26) months from the date of this meeting the validity of this delegation of powers and decides that it voids from this day the delegation to the same effect granted in the fifteenth resolution of the Shareholders' Meeting of January 21, 2014;

3. decides that the total number of new shares potentially issuable pursuant to this delegation may not represent more than 1.5% of the share capital as of the date of the decision made by the Board of Directors. This ceiling will be deducted from the global ceiling of a maximum total nominal amount of 100 million euro set in the twelfth resolution (provided said resolution is adopted by this meeting) or, if applicable, the maximum total nominal amount set in any future resolution adopted during the period of validity of this resolution;

4. decides that the issue price of the new shares or securities giving access to the capital that may be issued pursuant to this delegation will be determined as prescribed in articles L.3332-18 *et seq.* of the French Labor Code and will be equal to at least 80% of the average opening price of the Company's shares on NYSE Euronext Paris for the twenty trading days preceding the day on which the decision is made setting the opening date for subscription by the members of an Employee Share Purchase plan. The Board of Directors may, at its discretion, reduce or cancel the aforementioned discount, within the limits prescribed by law and the regulations, in order to allow, *inter alia,* for compliance with local legal, accounting and tax regimes and labor laws;

5. authorizes the Board of Directors to allocate to the aforementioned grantees, in addition to the shares or securities giving access to the capital to be purchased for cash, bonus shares or securities giving access to the capital, to be issued or already issued, substituting in full or in part for the discount and/or employer's contribution, it being stipulated that the benefit resulting from this grant may not exceed the legal or regulatory limits applicable under articles L.3332-10 *et seq.* of the French Labor Code;

6. decides to waive, in favor of the aforementioned grantees, the preferential rights of shareholders to the shares or securities giving access to the capital whose issuance is referred to in the delegation described herein, and to the shares to which the said securities will entitle their holders;

7. authorizes the Board of Directors, under the conditions applicable to this delegation, to sell shares to the aforementioned grantees as provided for in article L.3332-24 of the French Labor Code, it being stipulated that the par value of shares sold at a discount to members of one or several Employee Share Purchase plans referred to above will be deducted from the ceilings referred to in paragraph 3 above;

8. decides that the Board of Directors or its duly appointed representatives will have full powers to implement this resolution, and in particular to establish, in accordance with legal requirements, the list of companies in which the above mentioned beneficiaries will be able to subscribe to such issued shares or securities giving access to capital and to benefit from, as the case may be, free shares or free securities giving access to capital, to set the terms and conditions of the transactions, and to determine the dates and procedures for the issues to be carried out under this delegation, to determine the opening and closing dates for subscriptions, the dividend-rights dates, procedures for the payment of shares, to grant extensions to the period for payment of shares, to apply to list the shares thus created on stock exchanges of its choice, to note the completion of the capital increases for the value of the shares effectively purchased, to perform, directly or by its appointed agents, all transactions and filings pertaining to the capital increases, including subsequent amendments to the bylaws, at its sole discretion and, if it deems fit, to charge costs incurred in the capital increases to the premiums arising from these increases, and to transfer from this amount the requisite sums to increase the legal reserve to one-tenth of the new capital resulting from these capital increases;

9. acknowledges that if the Board of Directors uses the powers given to it herein, it will report on this utilization to the next Ordinary Shareholders' Meeting, as prescribed by law and the regulations.

- Sixteenth resolution

(Amendment of article 16.2 of the by-laws following publication of the decree of December 8, 2014 modifying the cut-off date for the preparation of the list of shareholders authorized to participate in Shareholders' Meetings)

The Shareholders' Meeting, having heard the report of the Board of Directors, notes the change in French record date rules introduced in decree 2014-1466 dated December 8, 2014, and decides to align the Company's bylaws with the new rules by amending article 16.2 of the bylaws as follows:

Old text
"Article 16.2 – Shareholders' Meetings comprise all shareholders whose shares are paid up to the extent called and whose right to participate in the Shareholders' Meeting is evidenced by ***an entry recorded no later than 12:00 a.m. (CET) on the third business day preceding the meeting,*** *in a share register or securities account in the name of the shareholder or, for shareholders who are not resident in France, the shareholder's accredited financial intermediary, showing the number of shares held."*

New text

"Article 16.2 – Shareholders' Meetings comprise all shareholders whose shares are paid up to the extent called and whose right to participate in the Shareholders' Meeting is evidenced by ***an entry recorded, by the date and according to the procedure required by the applicable laws and regulations,*** *in a share register or securities account in the name of the shareholder or, for shareholders who are not resident in France, the shareholder's accredited financial intermediary, showing the number of shares held."*

ORDINARY RESOLUTION

- <u>Seventeenth resolution</u>

(Powers)

The Shareholders' Meeting confers full powers on the bearer of a copy or extract of the minutes of the present Shareholders' Meeting to carry out all necessary formalities.

Fiscal 2015 Activity Report
(for fiscal year ended August 31, 2015)

1. FISCAL YEAR HIGHLIGHTS

Fiscal 2015 was a year of solid financial performance, shaped by promising integrated services contract wins and sustained demand for Benefits and Rewards Services. During the year, the Group pursued its transformation and strengthened its position as world leader in Quality of Life Services.

A solid financial performance

- Sodexo's consolidated revenues for Fiscal 2015 amounted to nearly 20 billion euro, an increase of 10% over Fiscal 2014 that was partly attributable to the euro's weakness against other currencies;
- organic revenue growth was 2.5%, with increases of 2.2% for On-site Services and 9.5% for Benefits and Rewards Services;
- operating profit increased in all geographic regions, rising 21.7% to 1,143 million euro. Excluding exceptional items in Fiscal 2014 and at constant currencies, operating profit rose 11.9%, which represents a 0.4% increase in the operating margin;
- Group net income totaled 700 million euro, an increase of 42.9% over Fiscal 2015 or around 32% at constant currencies that was partly due to a reduction in net financing costs achieved by refinancing debt at lower interest rates and also to a decrease in the effective tax rate which benefited from non-recurring items;
- net cash provided by operating activities amounted to 1.0 billion euro versus 825 million euro in Fiscal 2014, an increase of 23% that once again demonstrates Sodexo's ability to generate large amounts of cash year after year.

In light of these excellent results, the Board of Directors will propose a dividend of 2.20 euro per share, an increase of 22.2%, and during Fiscal 2016 will launch a 300-million euro share repurchase and cancellation program in Fiscal 2016.

Major integrated services contract wins

Clients are increasingly choosing Sodexo as a multi-site and multi-services strategic partner for improving the quality of life of their employees and enhancing the performance of their organization.

In the Corporate Services segment, the Group continued to deploy an integrated services program in several Asian countries under a global strategic partnership with Unilever begun in 2012. Diageo also chose Sodexo as its strategic partner to manage its 68 sites in the United Kingdom and Ireland, including the London headquarters, regional centers, plants, distilleries and warehouses. Another multi-site, multi-service contract with Atento in Brazil was extended to its three sites in Chile employing a total of 3,500 people. In France, the Group was chosen to manage the quality of life of the employees of Lacoste-Devanlay working in its two main sites in Paris. Lastly, in the United States, Chevron chose Sodexo to provide a wide range of facilities management services at 13 sites located in California, Texas, Louisiana and Pennsylvania.

In Justice Services in the United Kingdom, following its success in providing prison services, the Group signed and mobilized a contract for the management of the government's offender rehabilitation program in six regions in England and in Scotland. The program helps prepare prison inmates for a successful return to mainstream society, with the aim of reducing the re-offending rate.

In Remote Sites, several integrated services contracts were won in Russia, Peru and Chile in the mining sector. The United States Army has qualified Sodexo as an approved contractor for the operation and maintenance of its health care centers throughout the world.

In the Sports and Leisure segment, Sodexo won the contract to provide food and hospitality services for the California Academy of Sciences Museum in San Francisco. The Quality of Life Services contract with the Clairefontaine National Football Center in France was renewed for a further four years and includes full management of the new training and conference center. Lastly, the Lido music hall in Paris re-opened in April with a completely new show created and directed by Franco Dragone.

In Health Care in the United States, the Group leveraged its commitment in favor of patient well-being to expand its foodservices and nutrition contract with UMass Memorial Medical Center to include three more sites and to win new contracts with Vidant Health System for its seven hospitals in North Carolina and with Tenet Health System in Texas.

In the Seniors segment, the Group reported several successes in Canada, the United States and Italy. The contract with the Hilver Zorg hospital's five sites in the Netherlands was renewed, thanks to the plan proposed by the Group to transform the foodservices areas and open them to the local community. In emerging markets, Sodexo was awarded a contract by the Pune hospital in India to have it manage its technical and engineering services, and won its first hospital contract in Indonesia. Sodexo also will provide foodservices to over 1,200 patients and 2,000 health care professionals at Huangshi Central Hospital in China.

Lastly, in the Education segment, Sodexo's innovative service offerings led to the signature or renewal of contracts in France, the United Kingdom, Finland, Canada, the United States and, in emerging markets, in China and Singapore for international schools.

These new contracts confirm the relevance of the Group's strategy, deepening its presence in emerging markets (which accounted for 20% of Group revenues in Fiscal 2015) while also strengthening its expertise in delivering an increasingly wide range of services in order to offer the highest possible level of integrated services to clients throughout the world. Today, 29% of Group revenues are derived from facilities management services.

Sustained Benefits and Rewards Services activity despite a more difficult environment in Brazil, thanks to several factors:

- winning new clients in all regions;
- a tentative return to growth in Europe in the fourth quarter;
- continuous expansion of the service offer, as much through technological innovation as through new ideas; and
- the acquisition of Motivcom plc, a specialist in employee benefits, rewards and incentive solutions for companies in the United Kingdom, allowing Sodexo to become European leader in this market.

In addition, inflation-driven increases in face values and interest rates helped to maintain the Benefits and Rewards record of solid growth. The growth rate was particularly strong in Latin America during Fiscal 2015.

1.1. FURTHERING QUALITY OF LIFE

Convinced that the quality of life of individuals is a performance driver for organizations, Sodexo was an early investor in research to better understand the stakes and to measure organizations' perception of the value of quality of life, with the support of its Quality of Life Institute.

In 2015, the Group launched an international survey of 780 leaders and decision-makers working in companies, hospitals and universities in six countries (Brazil, China, France, India, United Kingdom, United States). According to this Sodexo/Harris Interactive survey entitled "How leaders value quality of life in their organization," 66% of respondents in developed and emerging countries consider that improving quality of life is a strategic priority for their organization. Ninety-one percent of respondents agreed that there is a link between quality of life and their organization's performance, with 57% saying that they "totally agreed" with this proposition. Their replies were based on recent experience, as evidenced by the fact that 86% of respondents have already implemented at least three initiatives related to quality of life within their organization. Lastly, over 65% of respondents "fully agreed" that improving the quality of life of employees and consumers would be a critical factor in the coming years. The growing emphasis on quality of life is a response to the new realities of a changing world.

In view of the strategic role of quality of life as a key social and economic performance driver, in May 2015 Sodexo organized the first International Quality of Life Conference in New York. Over two days, hundreds of leaders from a wide range of backgrounds, including the business community, academia, health care, NGOs and the political sphere gathered to collaborate and challenge current social and economic performance models. Over 30 different nationalities were represented at the event, and the next generation of leaders who will drive change in the years to come took part alongside today's influential decision-makers. At the heart of the debate, there was one shared preoccupation: to identify solutions to foster economic growth alongside social progress. The presence of leaders from throughout the world provided an opportunity to establish relations based on these new ideas with clients or potential clients from Poland, Brazil and France.

In parallel, since 2014 Sodexo has led the Quality of Life Observer, the first online media to monitor and interpret the components that contribute to quality of life in environments as diverse as businesses, health care facilities, campuses and schools, remote sites and prisons.

In order to realign its service offering, Sodexo has identified six dimensions that have a direct impact on quality of life:

- the promotion of health and well-being;
- the creation of conditions for collaborative efficiency;
- a secure and safe physical environment;
- the encouragement of social interactions;
- personal growth; and
- support for individual recognition.

1.2. INNOVATION-LED GROWTH

Several projects were launched during the year to invigorate the innovation drive, including:

- creation of a dedicated digital team to more effectively leverage the Quality of Life promise by improving services and relations between the Group and its consumers through:
  - applications such as MySodexo App, SoHappy and Apple Watch that provide information about menus and peak times in the restaurants, or the balance on the user's account, or that offer concierge services, or give a list of restaurants or shops that accept Sodexo vouchers or the Sodexo Pass,
  - loyalty programs such as Reward Tree,
  - the promotion of well-being on platforms with an educational content such as Mindful,
  - participation in start-up networks, for example The Village, an open club for innovators in Paris, and the future Camp, an American-style digital campus located between Aix-en-Provence and Marseille that is currently under construction;
- a project to strengthen continuous research and optimization of the organization and resources dedicated to producing and delivering Quality of Life Services on a large scale.

1.3. CREATING A COMPETITIVE ADVANTAGE THROUGH OUR PEOPLE

The world's 19th largest private sector employer with 420,000 employees in 80 countries, Sodexo is a community of men and women whose engagement is key to client and consumer satisfaction and, therefore, a genuine competitive advantage. That is why the Group implemented several major initiatives during the year, based on the following priorities:

- maintain a high quality, diverse and appropriately sized workforce to meet the expectations of all clients;
- rank among the global companies most appreciated by its employees.

With 95% of staff in daily contact with clients and consumers, Sodexo is convinced that client and consumer satisfaction depends on its teams' skills and talent.

Keeping this in mind, during the year the Group:

- continued to invest in training: in order to provide opportunities for employees to develop and grow, Sodexo delivered some 5 million hours of training in Fiscal 2015. The Group also stepped up its commitment in this area by creating a facilities management training center for site managers. The curriculum focuses on the essential factors behind the efficient, profitable and safe management of increasingly technical and complex contracts that now frequently have a longer duration;
- further strengthening its standards for the management of workplace health and safety, which represents a potential source of improvements in employees' quality of life and a source of efficiency gains through a reduction in work stoppages and absenteeism;

- extending to 22 countries the Sodexo Supports Me service that helps employees to overcome day-to-day challenges at work and in their personal life, by putting them in contact with recognized external consultants.

1.4. GOVERNANCE CHANGES

During Fiscal 2015, Sophie Bellon continued to prepare to succeed Pierre Bellon to become Chairwoman of the Board of Directors, notably by:

1) deepening her knowledge of the various Group entities, in particular by participating in strategy meetings and visiting sites and meeting management of subsidiaries and operational teams;
2) seeking potential candidates for election to the Board of Directors and integrating new Board members.

1.5. CORPORATE SOCIAL RESPONSIBILITY AWARDS AND INITIATIVES

In Fiscal 2015, the Group won several major awards recognizing its commitment to social, environmental and economic responsibility:

Sodexo was named "global leader for its industry" by the Dow Jones Sustainability Indices (DJSI) for the 11th consecutive year and the number one consumer services company for the second year in a row. DJSI is the longest-running global sustainability benchmark worldwide and the key reference point in sustainability investing for investors and companies alike. The annual DJSI review is based on a thorough analysis of corporate economic, environmental and social performance, assessing issues such as Corporate Governance, risk management, climate strategy, environmental policy/management systems, supply chain standards and labor practices.

Among the initiatives launched during the year, Sodexo announced an ambitious objective to reduce carbon emissions 34% by 2020 compared to 2011 across all internal operations and the entire supply chain. The methodology was developed jointly with the World Wildlife Fund (WWF).

In October 2015, for the second year in a row, Sodexo topped the list of publicly quoted companies for gender balance published by the French Ministry of Women's Rights. The award concerns sustained gender balance both in the Group's top management and its operational teams. The first place in the ranking recognizes not only that 43% of Sodexo's Executive Committee and 38% of its Board of Directors are women, but also Sodexo's creation of strong women's networks throughout the global organization and the commitment to gender equality at the heart of its strategy and performance.

Carbon Disclosure Project (CDP) named Sodexo as the leader for the Hotel, Restaurants and Leisure sector in its 2014 CDP Global Forests Report which recognizes companies that are meeting the challenge of removing deforestation from their supply chains. Sodexo was also recognized in the report as the most improved company in the sector.

Lastly, the Group was behind the creation of an independent not-for-profit International Food Waste Coalition ("IFWC"), with members representing the entire value chain in the food services industry. IFWC's key objectives include actively promoting strategies to reduce food waste, including by consumers.

2. FISCAL 2015 PERFORMANCE

2.1. CONSOLIDATED INCOME STATEMENT

(in millions of euro)	Year ended August 31 2015	2014	Change at current exchange rates	Change at constant exchange rates
Revenues	**19,815**	**18,016**	**+10.0%**	**+2.6%**
Organic growth	2.5%	2.3%		
Operating profit[1]	**1,143**	**966**	**+18.3%**	**+11.9%**
Operating margin[1]	5.8%	5.4%		
Exceptional expenses[2]	(0)	(27)		
Operating profit (reported)	**1,143**	**939**	**+21.7%**	**+15.1%**
Interest income	65	20		
Financing costs	(172)	(193)		
Finance income and expense, net	**(107)**	**(173)**		
Share of profit of other companies consolidated by the equity method	7	8		
Profit before tax	**1,043**	**774**	**+34.8%**	**+25.7%**
Income tax expense	(320)	(265)		
Effective tax rate	*31.1%*	*34.8%*		
Profit for the period	**723**	**509**	**+42.0%**	**+30.8%**
Profit attributable to non-controlling interests	23	19		
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT, BEFORE EXCEPTIONAL EXPENSES, NET OF TAX	**700**	**508**	**+37.8%**	**+27.8%**
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT (REPORTED)	**700**	**490**	**+42.9%**	**+32.4%**
Earnings per share *(in euro)*	**4.60**	**3.23**	**+42.4%**	**+32.2%**
Dividend per share *(in euro)*	**2.20[3]**	**1.80**	**+ 22.2%**	

(1) In Fiscal 2014, before the exceptional costs recorded in connection with the program to improve operational efficiency and reduce costs.
(2) Costs incurred in Fiscal 2014 in connection with the program to improve operational efficiency and reduce costs implemented between September 2012 and February 2014.
(3) Subject to approval at the Annual Shareholders' Meeting on January 26, 2016.

Currency effects

Sodexo operates in 80 countries. The percentages of total revenues and operating profit denominated in the main currencies are as follows:

	Revenues	Operating profit
U.S. dollar	39%	44%
Euro	26%	11%
UK pound sterling	10%	7%
Brazilian real	5%	21%

The currency effect is determined by applying the previous year's average exchange rates to the current year figures.

Impact of exchange rates	Change vs. the euro (in %, average rate)	*(in millions of euro)* Revenues	Operating profit	Net income
Euro/U.S. dollar	+17.4%	1,131	73	33
Euro/Brazilian real	-6.0%	(68)	(15)	(9)
Euro/UK pound sterling	+10.3%	180	8	9
Euro/bolivar fuerte	-69.8%	(29)	(13)	5

During Fiscal 2015, the U.S. dollar and the UK pound sterling strengthened considerably against the euro, gaining 17.4% and 10.3% respectively, while the Brazilian real declined 6%.

With effect from the fiscal year ended August 31, 2010, for the preparation of the consolidated financial statements the Group applied the specific IFRS accounting requirements to the transactions of its subsidiaries operating in Venezuela that use the local currency as their functional currency. On February 10, 2015, the Venezuelan government announced that it was setting up a new foreign exchange platform called SIMADI (Marginal Currency System). In mid-July 2015, Sodexo decided to transition to the new platform and started bidding for U.S. dollars on SIMADI. The Group considers that the best estimate of the exchange rate at which funds from its activities in Venezuela could be repatriated is the rate observed on August 28, 2015 on the SIMADI platform. The exchange rate used for the year ended August 31, 2015 is therefore 1 U.S. dollar = 198.96 bolivars (1 euro = 223.14 bolivars). The effect of this depreciation (including on the consolidated statement of financial position in which year-end exchange rates are used) is not material at Group level, as the Group's operations in Venezuela now represent just 0.1% of consolidated revenues and less than 0.5% of consolidated operating profit.

2.2. REVENUE GROWTH

Consolidated revenue for Fiscal 2015 amounted to 19.8 billion euro, an increase of 10% including organic growth of 2.5%. Favorable changes in exchange rates had a positive impact not only on revenues but also on all other income statement items.

Organic growth for the **On-site Services** activity was 2.2%. In a global economy that saw moderate growth, with some emerging economies particularly in Latin America experiencing a loss of momentum, this growth rate primarily reflected heightened demand for Sodexo's integrated Quality of Life Services offers in all geographic regions. These offers include a significant facilities management component, which lessened the effect of lower foodservices volumes resulting from headcount reductions and other cost-saving measures undertaken by clients, particularly in Europe.

Organic growth for the **Benefits and Rewards Services** activity was 9.5%, reflecting further double-digit growth in Latin America – despite a slowdown in Brazil in the second half of the year – and a healthy increase in revenues in Asia.

2.3. OPERATING PROFIT

Reported operating profit amounted to 1,143 million euro, an increase of 21.7% at current currencies and 15.1% excluding currency effects.

Note that Fiscal 2014 reported operating profit was stated net of 27 million euro in exceptional costs related to the program to improve operational efficiency and reduce costs. **Based on Fiscal 2014 operating profit before these exceptional costs, year-on-year growth was 18.3% at current exchange rates and 11.9% excluding currency effects, while operating margin was 5.8% compared to 5.4% in Fiscal 2014.** This performance was better than the objective of 10% growth in operating profit announced by the Group in November 2014.

All of the On-site Services geographic regions contributed to the high overall rate of growth, with operating profit increases of:

- 39.4% in North America (18.7% at constant currencies);
- 42.4% in the United Kingdom and Ireland (28.8% at constant currencies);
- 15% in the Rest of the World (Latin America, Middle East, Asia, Africa, Australia and Remote Sites) (7.1% at constant currencies);
- 3% in Continental Europe (3.9% at constant currencies).

In Benefits and Rewards Services, higher issue volumes and tight control over costs drove a 15.3% increase in operating profit excluding currency effects and 6.3% at current exchange rates.

This performance also reflected the benefits over a full year of the program to improve operational efficiency and reduce costs, which generated annual savings of 170 million euro compared to the Fiscal 2013 baseline. This program, which was launched in September 2012 and completed in February 2014, focused on reducing both on-site operating expenses and overheads. The exceptional expenses recorded during the implementation period consisted mainly of i) the net cost of withdrawing from certain unprofitable contracts or activities and ii) restructuring costs and costs related to various measures to reduce administrative expenses in many countries around the world.

2.4. FINANCE INCOME AND EXPENSE, NET

Finance income and expense represented a net expense of 107 million euro, reflecting a 66 million euro improvement compared to Fiscal 2014.

Net borrowing costs decreased by nearly 13 million euro, following the refinancing operations carried out during Fiscal 2014.

In addition, the sale of the Group's interest in a special purpose entity set up in connection with a Private Finance Initiative (Public-Private Partnership) in the United Kingdom had a 23 million euro favorable impact on net finance expense for the year.

2.5. INCOME TAX EXPENSE

Income tax expense amounted to 320 million euro in Fiscal 2015. The 55 million euro increase compared to the prior year was due to the increase in pre-tax profit. The effective tax rate for Fiscal 2015 was exceptionally low at 31.1%, due in particular to the use of previously unrecognized tax loss carry-forwards.

2.6. GROUP NET INCOME AND EARNINGS PER SHARE

The solid increase in operating profit, both before and after taking into account the exceptional expenses recorded in Fiscal 2014, the reduction in net finance expense and the low effective tax rate combined to drive a 42.9% increase in **Group net income** (32.4% excluding currency effects), to 700 million euro.

Earnings per share totaled 4.60 euro compared to 3.23 euro in Fiscal 2014, representing an increase of 42.4% (32.2% excluding currency effects) in line with the growth in Group net income.

2.7. PROPOSED DIVIDEND

At the Annual Shareholders' Meeting to be held on January 26, 2016, the Board of Directors will recommend paying a dividend of 2.20 euro per share(1) for Fiscal 2015, an increase of 22.2% over the prior year. This proposal is in line with Sodexo's policy of allowing shareholders to benefit from the increase in Group net income; it also reflects the Board's great confidence in the Group's future and takes into consideration Sodexo's solid cash-generating financial model. The proposed dividend represents a payout ratio of 50% of Group net income.

Furthermore, confident in the future while maintaining the financial flexibility needed to invest in future development, the Board has also decided to implement a 300 million euro (approximately 2.4% of the share capital) share repurchase and cancellation program in Fiscal 2016. This transaction is expected to be accretive to earnings per share starting in 2016.

2.8. ANALYSIS OF CHANGES IN REVENUES AND OPERATING PROFIT BY ACTIVITY

Revenues by activity *(in millions of euro)*	**Fiscal 2015**	**Fiscal 2014**	**Organic Growth(1)**	**Change at current exchange rates**	**Change at constant exchange rates**
On-site Services					
North America	7,972	6,759	+1.5%	+17.9%	+1.2%
Continental Europe	5,686	5,702	+0.6%	-0.3%	+0.5%
Rest of the World	3,504	3,327	+1.7%	+5.3%	+1.7%
United Kingdom and Ireland	1,832	1,483	+12.8%	+23.5%	+12.8%
Total On-site Services	**18,994**	**17,271**	**+2.2%**	**+10.0%**	**+2.1%**
Benefits and Rewards Services	**827**	**751**	**+9.5%**	**+10.1%**	**+15.3%**
Intragroup eliminations	**(6)**	**(6)**			
TOTAL	**19,815**	**18,016**	**+2.5%**	**+10.0%**	**+2.6%**

(1) Organic growth: change in revenue based on a constant scope of consolidation and constant currency exchange rates, except for the bolivar fuerte in the case of the Benefits and Rewards Services activity, for which an exchange rate of 1 dollar = 198.96 bolivars (1 euro = 223.14 bolivars) was used in Fiscal 2015.

(1) In addition, shares held in registered form since at least four years as of August 31, 2015 and still held when the Fiscal 2015 dividend becomes payable in February 2016, will automatically be entitled to a 10% dividend premium, provided they do not represent over 0.5% of the capital per shareholder.

Operating profit by activity[1] *(in millions of euro)*	Fiscal 2015	Fiscal 2014[1]	Change at current exchange rates	Change at constant exchange rates
On-site Services				
North America	499	358	+39.4%	+18.7%
Continental Europe	238	231	+3.0%	+3.9%
Rest of the World	161	140	+15.0%	+7.1%
United Kingdom and Ireland	94	66	+42.4%	+28.8%
Total On-site Services	**992**	**795**	**+24.8%**	**+13.2%**
Benefits and Rewards Services	**285**	**268**	**+6.3%**	**+15.3%**
Corporate expenses	**(128)**	**(91)**		
Eliminations	**(6)**	**(6)**		
TOTAL	**1,143**	**966**	**+18.3%**	**+11.9%**

(1) Operating profit before the costs recorded in Fiscal 2014 in connection with the program to improve operational efficiency and reduce costs.

The On-site Services activity represents 96% of consolidated revenues and 78% of consolidated operating profit before eliminations and corporate expenses. The Benefits and Rewards Services activity accounts for 4% of consolidated revenues and 22% of consolidated operating profit before eliminations and corporate expenses.

On-site Services

REVENUES

GROWTH BY REGION:

(in millions of euro)	Fiscal 2015	Fiscal 2014	Organic growth	Acquisitions	Currency effect	Total growth
North America	7,972	6,759	+1.5%	-0.3%	+16.7%	+17.9%
Continental Europe	5,686	5,702	+0.6%	-0.1%	-0.8%	-0.3%
Rest of the World	3,504	3,327	+1.7%	0%	+3.6%	+5.3%
United Kingdom and Ireland	1,832	1,483	+12.8%	0%	+10.7%	+23.5%
TOTAL ON-SITE SERVICES	**18,994**	**17,271**	**+2.2%**	**-0.1%**	**+7.9%**	**+10.0%**

GROWTH BY SEGMENT:

(in millions of euro)	Fiscal 2015	Fiscal 2014	Organic growth	Acquisitions	Currency effect	Total growth
Corporate Services	9,989	9,208	+3.9%			
Health Care and Seniors	4,786	4,280	+1.2%			
Education	4,219	3,783	-0.7%			
TOTAL ON-SITE SERVICES	**18,994**	**17,271**	**+2.2%**	**-0.1%**	**+7.9%**	**+10.0%**

On-site Services revenues totaled 19 billion euro and organic growth for the fiscal year was **2.2%.**

This performance reflected:

- strong demand for facilities management services that drove more than 7% growth during the year. Of particular note were Sodexo's performances in the United Kingdom and Ireland, the robust growth dynamic in the Corporate Services segment in North America and the return to growth, albeit modest, in Continental Europe;
- more limited revenue growth in the Health Care and Seniors segment in North America, reflecting the expected consequence of the Group's decision at the end of Fiscal 2014 to scale down its services to a major American retirement home operator, HCR ManorCare;
- a significantly more challenging economic environment in Latin America, particularly Brazil and Chile, as well as in the Remote Sites segment which was affected by deepening budget cuts by clients in the oil and mining sectors;
- decisions made to withdraw from unprofitable contracts, as part of the program to improve operational efficiency and reduce costs, weighed 0.9% on growth.

Organic growth in the **Corporate Services** segment amounted to **3.9%,** representing the result of several different trends:

- strong demand for integrated Quality of Life Services offers in all regions, led by the United Kingdom and North America;
- the ramp-up of new contracts in the Justice segment in the United Kingdom;
- 5.1% growth in the Remote Sites segment, which benefited – in particular, in the first half of Fiscal 2015 – from the many contracts signed at the end of the prior year, particularly in Australia.

Health Care and Seniors revenues grew by **1.2%,** a performance that reflected the generally unfavorable operating environment in Europe and the voluntary withdrawal from part of the HCR ManorCare contract in the United States at the end of Fiscal 2014. Sodexo nonetheless successfully leveraged its expertise in this segment, and continued to enjoy strong growth in Latin America, especially Brazil, as well as in China.

Education segment revenues were **down 0.7%** based on a comparable consolidation scope and at constant currency exchange rates. The decline was partly due to the Group's decision to withdraw from a contract with Detroit Public Schools in North America, in light of the city's financial difficulties, and reflected the more selective approach to new business in Europe. In contrast, Education revenues in emerging markets grew over the year, lifted by Sodexo's global expertise in this client segment.

The Group's key growth indicators were as follows:

- **93.1% client retention rate,** little changed from Fiscal 2014. The retention rate remained very high in the United Kingdom and Ireland but declined slightly in other geographic regions;
- **2.2% growth for existing sites,** compared to 2.5% for the prior year. Foodservices volumes continued to decline in Europe, and slower economic growth and inflation in certain emerging economies also weighed on growth;
- **7.5% development rate** (new contract wins) compared to 7.1% in Fiscal 2014, reflecting contract wins for integrated service offers, particularly in the United Kingdom. New contracts won during the fiscal year represented 1.3 billion euro in annual revenues.

OPERATING PROFIT

Operating profit from On-site Services was 992 million euro, up **24.8%** (13.2% excluding currency effects) over the prior year. Sodexo made gains in all geographic regions, with operating profit up 39.4% in North America (18.7% excluding currency effects), 42.4% in the United Kingdom and Ireland (28.8% excluding currency effects), 15% in the Rest of the World (7.1% excluding currency effects) and 3% in Continental Europe (3.9% excluding currency effects).

The On-site Services activity's **operating margin** rose by **0.6** points from 4.6% to 5.2%.

ANALYSIS BY GEOGRAPHIC REGION

North America

Revenues

(in millions of euro)	Fiscal 2015	Fiscal 2014	Organic growth	Acquisitions	Currency effect	Total growth
Corporate Services	2,040	1,704	+5.4%			
Health Care and Seniors	2,889	2,439	+1.1%			
Education	3,043	2,616	-0.6%			
TOTAL	**7,972**	**6,759**	**+1.5%**	**-0.3%**	**+16.7%**	**+17.9%**

On-site Services revenue in North America totaled 8 billion euro, up 18% over Fiscal 2014. Organic growth for the year was 1.5%.

Organic growth in the **Corporate Services** segment was **5.4%,** reflecting high business volumes in facilities management services for clients such as Bloomberg, Citigroup and Alcatel-Lucent, along with robust growth in On-site Services in the Defense segment. Sodexo won a large number of contracts during the year, notably with the House of Representatives, Chevron and Zurich Insurance.

In the **Health Care and Seniors** segment, revenue increased by just **1.1%,** due to the adverse impact during most of the year of Sodexo's withdrawal in the prior year from part of the HCR ManorCare contract, and of the sale of certain laundry activities. However, new contracts won with clients such as Vidant Health and Tenet Health System, and faster growth at existing sites confirmed the market's potential and led to a return to growth in the latter part of the year. Other contract wins included LHP Hospital Group (Texas), Erlanger Health System (Tennessee), Avalon Woodland Park Rehab and Care Center (Utah) and UMass Memorial Medical Center (3 sites in Massachusetts).

In **Education,** the **0.6% decline** in revenue reflected mixed trends, with the increase in sales of full board meal plans to universities partially offset by the voluntary withdrawal from a contract with Detroit Public Schools at the end of the prior fiscal year, due to the city's financial difficulties and the risk of non-payment. In the schools segment, growth in existing site revenues reflected changes in students' eating habits in response to the recently enacted Healthy and Hunger Free Kids Act (HHFKA). Following disappointing sales performances and contract wins in Fiscal 2015, a series of measures to improve the sales teams' efficiency was decided at the end of the year. Recent contract wins included Dakota State University, San Francisco State University and State University of New York at Stony Brook.

Operating profit

Operating profit totaled 499 million euro, an increase of 39.4% (18.7% excluding currency effects) compared to Fiscal 2014.

Numerous productivity improvement measures paid off in Fiscal 2015 thanks to the systematic deployment of standardized on-site contract management methods, particularly in the Education segment, leading to improved management of the effects of inflation. Off-site administrative cost efficiencies also contributed to this good performance. In all, these two factors accounted for 40% of the increase in Fiscal 2015 operating profit, with the other 60% attributable to the low basis of comparison in Fiscal 2014 when operating profit was temporarily affected by problems in deploying the HCR ManorCare contract and by the provisions set aside for doubtful receivables and risks on certain contracts.

Boosted by all of these factors, **operating margin** in North America rose to 6.3% from 5.3% in Fiscal 2014.

Continental Europe

Revenues

(in millions of euro)	Fiscal 2015	Fiscal 2014	Organic growth	Acquisitions	Currency effect	Total growth
Corporate Services	3,463	3,404	+2.9%			
Health Care and Seniors	1,327	1,380	-3.4%			
Education	896	918	-2.3%			
TOTAL	**5,686**	**5,702**	**+0.6%**	**-0.1%**	**-0.8%**	**-0.3%**

In Continental Europe, revenues totaled nearly 5.7 billion euro.

Organic growth in the **Corporate Services** segment was **2.9%.** However, this performance reflected mixed situations:

- foodservices volumes declined, notably in France, Italy, the Netherlands and Finland, and revenues were also adversely affected by Sodexo's withdrawal from certain contracts as part of the program to improve operational efficiency and reduce costs;
- these effects were offset by sustained demand for Quality of Life Services, particularly services that required deployment of a variety of technical skills. The ramp-up of multi-site contracts signed in Fiscal 2014, among them Carlsberg and Johnson & Johnson, also acted as a growth driver.

New contracts signed during the year included *Institut Pasteur* and GE Power Conversion in France, and the National Police Service in the Netherlands.

The **3.4% contraction** in **Health Care and Seniors** revenues was mainly due to lower client retention rates, especially in France, and limited business development in recent quarters. These markets continue to offer considerable medium-term growth potential despite the current economic and political environment. The transition to an organization by global client segment currently in progress should enable the Group to leverage its expertise and deep understanding of its clients and consumers, in order to steadily improve the effectiveness of its sales initiatives.

New contracts signed during the year included Ospedale San Matteo Pavia in Italy and Forcilles Hospital in France.

In **Education,** the **2.3% decline** in revenue was mainly attributable to Sodexo's decision in Fiscal 2014 not to renew certain major contracts in several countries, as a result of budget cuts for schools. Sodexo nonetheless enjoyed a modest return to growth in the fourth quarter and expects a modest improvement in the next twelve months.

New contracts signed during the year included Conseil Général des Yvelines and École Supérieure d'Art et de Design in France and Tampere University of Technology (TTY) in Finland.

Operating profit

At 238 million euro, **operating profit** was up by 3% (3.9% excluding currency effects) over Fiscal 2014. **Operating margin** was up 0.1% compared with the previous year, at 4.2%. The effects of client cost-saving drives and non-recurring contract mobilization costs recorded in the first half were more than offset in the second half, as expected, by the benefits of the program to improve operational efficiency launched in September 2012.

Rest of the World (Latin America, Middle East, Asia, Africa, Australia and Remote Sites)

Revenues

(in millions of euro)	**Fiscal 2015**	**Fiscal 2014**	**Organic growth**	**Acquisitions**	**Currency effect**	**Total growth**
Corporate Services	3,154	3,030	+0.6%			
Health Care and Seniors	211	172	+20.2%			
Education	139	125	+4.0%			
TOTAL	**3,504**	**3,327**	**+1.7%**	**+0%**	**+3.6%**	**+5.3%**

Revenues in the Rest of the World region (Latin America, Africa, Middle East, Asia, Australia and Remote Sites) totaled 3.5 billion euro in Fiscal 2015, an increase of 5.3% over Fiscal 2014. Organic revenue growth was 1.7%.

The Remote Sites segment, which accounted for 45% of the region's total revenues in Fiscal 2015, reported organic revenue growth of 2.2%, driven by significant contract wins in Fiscal 2014, including Woodside Energy and BHP Billiton subsidiary GemCo for Groote Eylandt, Mineral Resources/Jerriwah Village in Australia, Petrex in Peru and Compania Minera Nevada in Chile. Revenue growth in the second half of the year was nonetheless adversely affected by mine closures, particularly in Latin America.

Excluding Remote Sites, organic growth in the Rest of the World region was 1.4%.

Organic revenue growth in the **Corporate Services** segment was **0.6%,** reflecting both the developments in the Remote Sites segment described above and the consequences of the severe economic slowdown in Brazil, as well as the difficult fiscal and social environment in Chile. Growth nonetheless remained satisfactory in Asia, with near-double digit increases particularly in India and Southeast Asia.

Many contracts were signed in emerging markets, including JBS, Valeo, FMC Technologies and Braskem in Brazil, Vodafone and Adobe in India, and deployment of the Unilever contract in Asia began during the year.

In **Health Care and Seniors,** organic growth of **20.2%** was attributable to contract wins in Latin America, especially in Brazil, and strong growth in Asia. Driven by Sodexo's expertise in Health Care and Seniors services, this steady, sustained growth confirms the of the Group's global approach by client segment. During the year, Sodexo won a number of contracts including for the Mater Dei Belo Horizonte hospital in Brazil, and Rumah Sakit Pondok Indah Hospital in Indonesia.

In **Education,** the **4%** organic growth in revenue was primarily attributable to operations in Latin America, India and China. New contracts signed during the year included Nord Anglia International School in Hong Kong and Sri Utama Schools in Malaysia.

Operating profit

Operating profit in the Rest of the World region increased by 15% (7.1% excluding currency effects) to 161 million euro. **Operating margin** was 4.6% compared to 4.2% in the prior year, maintaining the pattern of growth established over the last two fiscal years. The further improvement was the result of major productivity gains achieved in most of the countries in the region, and also reflected the impact of additional one-off projects in the offshore sector.

United Kingdom and Ireland

Revenues

(in millions of euro)	**Fiscal 2015**	**Fiscal 2014**	**Organic growth**	**Acquisitions**	**Currency effect**	**Total growth**
Corporate Services	1,332	1,070	+13.9%			
Health Care and Seniors	359	289	+12.7%			
Education	141	124	+4.1%			
TOTAL	**1,832**	**1,483**	**+12.8%**	**+0%**	**+10.7%**	**+23.5%**

Revenues in the United Kingdom and Ireland totaled 1.8 billion euro, an increase of 23.5% over Fiscal 2014 including organic growth of 12.8%.

Corporate Services revenue growth accelerated sharply to **13.9%.** This performance was attributable to the provision of services, including for one-off projects with a large facilities management component, for clients such as GSK, Rexam, Carlsberg and Zurich. It also reflects the initial months' revenue from a contract awarded to Sodexo in six regions under the UK government's Transforming Rehabilitation program to help prepare prison inmates for a successful return to mainstream society.

Another highlight of Fiscal 2015 was the contract with Diageo to provide an array of integrated Quality of Life Services at 68 sites in the United Kingdom and Ireland.

In **Health Care and Seniors,** organic growth accelerated to **12.7%** thanks to the ramp-up of several contracts and the extension of services provided to several hospitals such as the five in London operated by Imperial College Healthcare.

In **Education,** the **4.1%** growth in revenues for the year was principally due to the contract with the prestigious University College London won in Fiscal 2014.

Operating profit

Operating profit increased to 94 million euro, up 42.4% or 28.8% excluding currency effects. The increase was partly attributable to the leverage provided by revenue growth but it also reflected improved margins on several major integrated services contracts that were still in the start-up phase in Fiscal 2014. **Operating margin** increased from 4.5% in Fiscal 2014 to 5.1%.

Benefits and Rewards Services

Issue volume

(in millions of euro)	**Fiscal 2015**	**Fiscal 2014**	**Organic growth**	**Acquisitions**	**Currency effect**	**Total growth**
Latin America	7,526	7,323	+11.1%			
Europe and Asia	8,894	8,171	+4.3%			
TOTAL	**16,420**	**15,494**	**+7.5%**	**+1.7%**	**-3.2%**	**+6.0%**

Revenues

(in millions of euro)	**Fiscal 2015**	**Fiscal 2014**	**Organic growth**	**Acquisitions**	**Currency effect**	**Total growth**
Latin America	431	410	+14.4%			
Europe and Asia	396	341	+3.8%			
TOTAL	**827**	**751**	**+9.5%**	**+4.1%**	**-3.5%**	**+10.1%**

In the **Benefits and Rewards Services** activity, the growth dynamic remained satisfactory in emerging markets (Latin America and Asia), despite the gradual but nonetheless significant economic slowdown observed in Latin America. This trend was illustrated by the **9.5%** organic revenue growth for Fiscal 2015.

Digital-based issue volume accounted for 65% of total issue volume for the year, reflecting the strong innovation culture that prevails at Sodexo and underpins the service offer for clients.

In **Latin America,** organic growth continued at a satisfactory rate of **11.1%** for issue volume and **14.4%** for revenues, led mainly by solid advances in Brazil and Venezuela. This performance was supported by higher face values on vouchers and cards and rising interest rates in Brazil. Sodexo continued to deepen its market penetration, thanks to its relevant service offers, and continued development of its expense management activities. Contract wins included Hospital Santa Paula and CEFOR Segurança Privada in Brazil, and Municipio de Xochitepec Morelos in Mexico.

In **Europe and Asia,** organic growth accelerated to **4.3%** for issue volume and **3.8%** for revenues. These gains reflected the success of Sodexo's Quality of Life offers, double-digit growth in Turkey, India and China, and more encouraging growth rates in the rest of Europe.

Contract wins included Hindustan Zinc Limited and Willis Processing in India, Régie nationale des Tabacs et Allumettes in Tunisia, Kiloutou in France and Vitaldent in Spain.

Operating profit

Operating profit amounted to 285 million euro, up 6.3% compared to the prior year (15.3% excluding currency effects). The increase reflected higher issue volumes and tight operating cost management with a particular focus on voucher and card processing costs. The Group continued to invest in research, innovation and development of Quality of Life Services during the year, while also launching operations in four new countries (Portugal, Panama, Singapore and Taiwan) at the end of the fiscal year.

Excluding the effect of changes in the exchange rates used to translate operating profit generated in Venezuela(2), **operating margin** was 34.5%, stable compared to Fiscal 2014.

3. CONSOLIDATED FINANCIAL POSITION

3.1. CASH FLOWS

Presented below are the key components of the consolidated cash flow statement:

	Year ended	
(in millions of euro)	**August 31, 2015**	**August 31, 2014**
Net cash provided by operating activities	1,017	825
Net cash used in investing activities	(378)	(337)
Net cash (used in)/provided by financing activities	(1,365)	920
(Decrease)/increase in net cash and cash equivalents	(726)	1,408

Net cash provided by operating activities amounted to 1,017 million euro, representing some 200 million euro or 23% more than in Fiscal 2014. This good performance was mainly due to the sharp 203 million euro rise in operating profit from fully consolidated companies, part of which was attributable to the favorable currency effect.

The change in working capital, which had a more limited positive effect than in the prior year, reflected two opposing developments, with an increase in trade receivables in North America and Latin America that was partly offset by significant client advances related to the Rugby World Cup in the United Kingdom.

Net cash used in investing activities increased to 378 million euro and included:

- net capital expenditure and client investments for 346 million euro, representing approximately 1.8% of revenues;
- acquisitions of companies for 49 million euro, corresponding for the most part to the November 2014 acquisition of Motivcom, a leading provider of employee motivation and recognition services for companies in the United Kingdom.

Net cash from financing activities, representing a negative 1,365 million euro, and net cash and cash equivalents were significantly affected by the 1,048 million euro in debt repayments carried out during the year, including the 880 million bond issue redeemed in January 2015. Net cash used in financing activities also included dividends paid by Sodexo SA (in February 2015 in the amount of 276 million euro).

(2) Starting in mid-July 2015, Sodexo decided to transition to the new SIMADI foreign exchange platform and started bidding for U.S. dollars on this platform. The Group therefore considers that the currency exchange rate observed on the SIMADI on August 28, 2015 corresponds to the rate at which funds from its Venezuelan operations could be repatriated at the period end. Consequently, the exchange rate used for the fiscal year ended August 31, 2015 is 1 dollar = 198.96 bolivars (1 euro = 223.14 bolivars). Use of this rate had the effect of reducing operating profit for the year by 13 million euro.

3.2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions of euro)	**August 31, 2015**	**August 31, 2014**		**August 31, 2015**	**August 31, 2014**
Non-current assets	7,334	6,852	Shareholders' equity	3,710	3,189
Current assets excluding cash	4,396	4,120	Non-controlling interests	34	32
Financial assets related to the Benefits and Rewards Services activity	739	758	Non-current liabilities	3,593	3,830
Cash	2,008	2,748	Current liabilities	7,140	7,427
TOTAL ASSETS	**14,477**	**14,478**	**TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY**	**14,477**	**14,478**
			Net debt	**339**	**371**
			Net debt ratio	**9%**	**12%**

As of August 31, 2015, favorable currency effects (mainly due to the U.S. dollar and the UK pound sterling against the euro), partly offset by unfavorable currency effects (related to the Brazilian real), led to an overall increase in all statement of financial position items compared to August 31, 2014.

As of August 31, 2015, the Group had total borrowings of 3,047 million euro. The main borrowings are two euro-denominated bond issues for a total of 1,100 million euro and three U.S. private placements for a total of 2,060 million U.S. dollars. The remaining balance includes various bank loans and facilities, capital leases and derivative financial instruments.

Cash and cash equivalents net of bank overdrafts totaled 1,969 million euro as of August 31, 2015. Benefits and Rewards Services cash invested in instruments with maturities of more than three months amounted to 299 million euro and the activity's restricted cash stood at 440 million euro.

The operating cash position (which includes Benefits and Rewards Services cash investments and restricted cash) totaled 2,708 million euro, including 1,476 million euro relating to the Benefits and Rewards Services activity.

As of August 31, 2015, net debt was 339 million euro, representing 9% of shareholders' equity, compared to 12% as of August 31, 2014. This extremely sound financial position allows the Board of Directors to propose to the Annual Shareholders' Meeting a 22.2% increase in the dividend, to 2.20 euro, and a 300 million euro share repurchase and cancellation program, representing the equivalent of 2.4% of the capital, while retaining the necessary financial flexibility to invest in future development.

As of August 31, 2015, the Group had unused bank credit facilities of 1,100 million euro.

The average interest rate on borrowings was 3.8% as of August 31, 2015. The reduction compared to the prior year-end was due to the redemption of the 880 million euro bond issue, which paid interest at an average rate of 5.9%, and the repayment of borrowings denominated in Brazilian reals.

3.3. SUBSEQUENT EVENTS

On November 17, 2015, the Board of Directors decided to launch a share repurchase and cancellation program for an amount of 300 million euro, which will be realized over a 12-month period.

4. OUTLOOK

At the November 17, 2015 meeting of the Board of Directors, Michel Landel, Chief Executive Officer, reminded the Board of the relevance of the Group's long-term strategy, built on its unique integrated Quality of Life Services offer, its unparalleled global network and its uncontested leadership position in emerging countries.

During the meeting, Michel Landel also discussed the profound changes the world is currently undergoing, sources of opportunity for long-term growth for the Group. Sodexo's future success will depend on its ability to convert these changes into opportunities to create value as an even more agile, innovative and flexible partner.

Sodexo is starting Fiscal 2016 in a highly volatile global economy: with low forecasted GDP growth in the short-term in developing economies, in particular in Brazil; oil, gas and mining sectors strongly affected by the decline in commodity prices; uncertainty surrounding currency trends; and a halting recovery in Europe.

Faced with these short-term challenges, the Chief Executive Officer confirms that his Executive Committee is reinforcing the measures needed to adapt. In Fiscal 2016, the Group will **continue to pursue its efforts for simplification and standardization,** notably through the following efforts:

- reinforced adaptation of operating costs on site;
- simplification of the organization; and
- greater pooling of Group expertise on an international scale in both operations and support functions.

The measures taken will progressively generate annual savings of around 200 million euro, between now and Fiscal 2018, when the full benefit will be realized. The implementation of certain of these initiatives will result in exceptional costs over the next 18 months, which are estimated at 200 million euro.

For these reasons, the Group has set the following objectives for Fiscal 2016:

- **organic revenue growth of around 3%; and**
- **growth in operating profit excluding currency effects and before exceptional items of around 8%.**

In the **medium-term,** the Group's growth will be supported by several major trends:

Outsourcing of services by clients in both the private and public sectors continues to represent outstanding growth potential in all markets and geographic regions. The potential for further outsourcing remains significant, particularly in client segments such as Health Care, Seniors, Education, Defense and Justice. At the same time, our clients are increasingly demanding integrated services performed by a reduced number of contractors, thereby offering additional growth opportunities for the Group.

"Seniorization" of populations throughout the world – By 2025, the population over 65 will have doubled to 800 million people worldwide. This trend combined with urbanization will lead to exponential growth in the market for senior care services in the home, in a hospital or an assisted living facility.

Robotics – New technologies can contribute to automating the Group's processes and services, but the human factor remains essential to consumers' quality of life, throughout the world.

Digital – the Group will take advantage of digital technologies which today are revolutionizing the world and transforming relations between Sodexo and its consumers.

In this context, the Group has committed to a reorganization whose progressive deployment started September 1, 2015. Sodexo will evolve from a company organized by country to an organization by client segment. This will allow the Group to continue to deepen its knowledge of consumer expectations in the area of quality of life specific to each segment, and to standardize and pool its expertise thanks to the implementation of operational platforms. This new organization will create enhanced value for Sodexo's clients and consumers, and will thus allow the Group to progressively accelerate growth.

The Board of Directors, confident in the future, confirms the medium-term objectives of:

- **average annual revenue growth, excluding currency effects, of between 4% and 7%;**
- **average annual growth in operating profit, excluding currency effects, of between 8% and 10%; and**
- **an average annual cash conversion ratio[3] of around 100%.**

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(3) Free cash flow divided by reported net income.

Lastly, the Board reiterated Sodexo's core strengths:

- significant potential market;
- a unique range of Quality of Life Services particularly well aligned with evolving client demand;
- a global network spanning 80 countries;
- an unchallenged leadership in emerging countries;
- a robust financial model;
- its independence; and
- a strong culture and engaged teams.

In conclusion, the Board added, "We would like to take this opportunity to thank our clients for their loyalty, our shareholders for their confidence, and the Group's 420,000 employees for their efforts in Fiscal 2015 and for their daily commitment to improving the quality of life of our consumers and the performance of our clients."

Request to receive the documents and information referred to by article R.225-83 of the French Commercial Code

I the undersigned: ……………………………………………….

Address: ………………………………………………………….

holder of …………… shares in SODEXO, a *société anonyme* with a share capital of EUR 628,528,100, with its registered office at 255, quai de la Bataille de Stalingrad, 92130 Issy-les-Moulineaux, France, registered with the Nanterre Register of Commerce and Companies under number 301 940 219,

hereby request to receive, at the above-mentioned address, the documents and information referred to by Article R.225-83 of the French Commercial Code relating to the Annual Shareholders' Meeting to be held on January 26, 2016.

Pursuant to Article R.225-88 paragraph 3 of the French Commercial Code, registered shareholders, upon simple request, may obtain from the Company documents and information specified in Articles R.225-81 and R.225-83 of the French Commercial Code for all subsequent Shareholders' Meetings. Registered shareholders who wish to benefit from this option should specify so in this document.

Signed in …………………………

On January ……., 2016

Signature

DOCUMENT TO BE COMPLETED AND RETURNED:

- **if you hold registered shares**:
  to Société Générale – Service des Assemblées – CS 30812, 44308 Nantes Cedex 3 – France
- **if you hold bearer shares :** to the intermediary in charge of your securities account.