PRESS RELEASE

Sodexo: First Half Fiscal 2017 in line with expectations, strong growth in operating profit

- **Revenues up +0.4% and organic growth[1] of +1.4% excluding Rugby World Cup and Energy & Resources**
  - **On-site Services organic growth was -0.3%, excluding the Rugby World Cup and the Energy & Resources decline, organic growth was +1.2%**
    - Solid growth in Corporate North America, Health Care and developing markets.
    - This momentum was somewhat offset by a challenging environment in Europe due to continued weakness in Energy & Ressources activity in the North Sea and more generally, in France.
  - **Benefits & Rewards Services organic growth reached +7.4%,**
    - Strong activity in Europe, Asia and the USA
    - Latin America was more subdued.
- **Operating profit before exceptional expenses[2] and currency effect was up 7.7% and the margin increased 50 basis points, at constant exchange rates**
- **Net profit increased 14.7% before non-recurring items[3], at constant exchange rates**
- **Fiscal 2017 guidance:**
  - **Revenue organic growth of around 2.5%**
  - **Growth in operating profit confirmed at between 8% and 9% (excluding currency effect and exceptional expenses linked to the Adaptation and Simplification program)**
- **Medium-term objectives confirmed.**

Issy-les-Moulineaux, April 13, 2017 - Sodexo (NYSE Euronext Paris FR 0000121220-OTC: SDXAY). At the Board of Directors' meeting chaired by Sophie Bellon on April 11, 2017, Chief Executive Officer Michel Landel presented the Group's performance for the First Half of Fiscal 2017, which ended on February 28, 2017.

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[1] *Organic growth is defined as growth at constant exchange rates (converting Fiscal 2017 figures at Fiscal 2016 rates) and consolidation scope, except for Benefits & Rewards in Venezuelan Bolivar. All Fiscal 2017 and Fiscal 2016 figures in VEF have been converted at the exchange rate of USD 1 = VEF 700 vs. VEF 645 for FY 2016.*

[2] *Exceptional expenses are the costs of implementation of the Adaptation and Simplification program (€137m in H1 2017 and €37m in H1 2016).*

[3] *Non-recurring items: in H1'17, 137 million euro of exceptional expenses and 11 million euro of early debt reimbursement indemnity, both net of taxes (99 million euro) and in H1'16 exceptional expenses of €37m (or €24m net of taxes).*

Financial performance for First Half Fiscal 2017:

(in millions of euro)	First-Half Fiscal 2017 (ended February 28, 2017)	First-Half Fiscal 2016 (ended February 29, 2016)	Change at current exchange rates	Change excluding currency effect
Revenue	**10,634**	**10,596**	**+0.4%**	**+0.3%**
Organic growth	***+0.0%***	***+3.7%***		
Operating profit before exceptional expenses[1]	**723**	**658**	**+9.7%**	**+7.7%**
Operating margin before exceptional expenses	**6.8%**	**6.2%**	**+60 bps**	**+50 bps**
Exceptional expenses	**(137)**	**(37)**		
Operating profit	**586**	**621**		
Net financial expense[2]	**(56)**	**(49)**		
Effective tax rate	***32.6%***	***35.5%***		
Group net profit before non-recurring items	447	383	+16.6%	+14.7%
Group net profit	**348**	359	-3.1%	
Earnings per share before non-recurring items (basic)	**2.98**	2.52	+18.3%	
Net debt ratio[3]	**0.9**	0.6		

Commenting on these figures, Sodexo CEO Michel Landel said:

We have delivered a First Half in line with our expectations.

Revenue growth accelerated in the second quarter as expected, we have signed significant new contracts and the pipeline remains strong.

Our Savings plan is well on track and delivered 60 million euro in the First Half of the fiscal year, helping us to achieve a 50bps improvement in operating margins while we continue to make investments that will contribute to future growth.

In the second half of the year, the comparative base will become easier and contract signatures will convert into revenues progressively. As a result, we expect organic growth of around 2.5% for the full year. Our efforts to control costs and adapt our organization will continue to deliver and so we confirm our objective of growth in operating profit of between 8 to 9% for this fiscal year (excluding currencies and before exceptional expenses).

[1] Costs of implementation of the Adaptation and Simplification program (€137m in H1 2017 and €37m in H1 2016)
[2] Including indemnity for early debt reimbursement of €11 m in H1 2017
[3] Net debt ratio = Net debt / EBITDA for last 12 months including exceptional expenses

Highlights of the period

- First Half Fiscal 2017 Revenues amounted to 10.6 billion euro, up +0.4% on the previous year period. Currencies contributed +0.1% and net acquisitions +0.3%. Organic growth was +1.4% excluding the Rugby World Cup effect and the decline in Energy & Resources.
- Organic growth for the On-site Services activity was -0.3%, or 1.2% excluding the Rugby World Cup impact and the Energy & Resources activity:
  - **Business & Administrations** organic growth of **-2.1%, or +0.7%** excluding the Rugby World Cup and Energy & Resources impacts, reflects a return to positive growth in the second quarter. Energy & Resources is improving regularly quarter by quarter, even if activity in the North Sea is still down by 16% in both quarters. Elsewhere, while Government services activity remained difficult during the quarter, Corporate Services activity was solid with high single digit growth in North America and the developing economies more than offsetting continued weakness in Europe.
  - **Health Care & Seniors** organic growth is **+3.1%,** benefiting from same site growth in Hospitals in North America and strong development in Asia and Brazil. Bidding opportunities in France and the United Kingdom remain highly competitive.
  - **Education** organic growth remained modestly positive at **+0.3%**. While Schools activity benefits from new business in all regions, the lack of new business last year in Universities in North America is weighing on performance this year. However, the level of signings has picked up in the last few months with three major contract signatures in North America.
- First Half Fiscal 2017 organic revenue growth in the **Benefits & Rewards Services** activity was **+7.4%**. Growth in Europe, Asia and the USA at +11.5% reflected solid growth in both the number of beneficiaries and face values and exceptionally strong Incentive and Recognition activity in the USA and the UK. In Latin America, organic growth was +2.9% for the period. Brazil remained weak. The rest of Latin America continued to grow strongly.
- Operating profit before exceptional expenses rose to 723 million euro, up +9.7%, or +7.7% excluding the currency effect. As a result, the operating margin before exceptional expenses was up +60 basis points to 6.8%, or +50 basis points excluding the currency effect. Numerous initiatives, as part of the Adaptation and Simplification program, to improve productivity and reduce SG&A have contributed to building the margin. The program delivered 60 million euro of savings for the period, enhancing the Group's capacity to invest in growth.
- Exceptional expenses related to the Adaptation and Simplification measures amounted to 137 million euro in First Half Fiscal 2017, bringing the program up to a total of 245 million euro as it closed at the end of the First Half. Annual savings are expected to ramp-up to about 220 million euro for Fiscal 2018.
- Group net profit before non-recurring items net of taxes totaled 447 million euro, up +16.6% or +14.7% excluding currency effect. After deducting exceptional expenses and an indemnity on the debt restructuring, (amounting to 99 million euro in First Half Fiscal 2017 and 24 million euro in First Half Fiscal 2016, both net of taxes), reported net profit was 348 million euro, down -3.1%.

- Free cash flow generation was 30 million euro in the First Half. During the period, the Group financed the 300 million euro share buy-back, the full year dividend and a much higher level of acquisitions at a net amount of 165 million euro. Despite this, the financial position remained strong, with net debt[1] at 1,234 million euro, gearing[2] at 34% and the net debt ratio at 0.9.
- The Group's corporate responsibility engagement is recognized with the highest score for the sector in Robeco SAM's 2017 Sustainability Yearbook for the 10th consecutive year.

- **Changes to the Board Committees**

  Several changes have been made to the three Board committees, effective March 8, 2017.

  - **Mr. Emmanuel Babeau,** Independent Director, was appointed **Chairman of the Audit committee** and Ms. Cathy Martin, Director representing employees, is now a member of the committee.
  - **Ms. Françoise Brougher** Independent Director, has been appointed **Chairwoman of the Nominating committee** and Ms. Cécile Tandeau de Marsac, appointed at the AGM in January 2017, has joined the committee.
  - **Ms. Tandeau de Marsac,** Independent Director, has joined and become **Chairwoman of the Compensation committee**. Ms Brougher has also joined the Committee.

  As a result all three committees are now chaired by Independent Directors as defined by the Afep-Medef French corporate governance code.

Outlook

The First Half Fiscal 2017 is in line with expectations.

For the second half, the Board and Executive Committee remain confident in the Group's capacity to accelerate growth based on the contribution from new business signed in the last quarters, the quarter by quarter improvement in Energy & Resources, an easier comparative base in France, and the positive accounting calendar adjustment in North America in the fourth quarter.

Given a softer than expected environment in Europe and Africa, and the longer lead times from signature to ramp-up of some contracts, **organic revenue growth is expected to be around 2.5%.**

The Adaptation and Simplification program is perfectly on track to deliver substantial cost savings this year and therefore the Group confirms its objective for Fiscal 2017 of **8% to 9% growth in operating profit** excluding the currency effect and exceptional expenses related to the Adaptation and Simplification program.

Confident in the future, with further significant outsourcing potential and opportunity in developing economies, strong potential of the new segment organization and M&A contribution the Group confirms its medium-term objectives of:

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

[1] Net debt: Group borrowings less operating cash

[2] Gearing: Net Debt / Shareholders equity

Conference call

Sodexo will hold a conference call (in English) today at 9:00 a.m. (Paris time), to comment on its results for First-Half Fiscal 2017. Those who wish to connect from UK may dial + 44(0)20 3427 0503 or from France +33(0)1 70 48 01 66 following by the pass code **43 90 978.**
The presentation can be followed via live webcast on the Group website, www.sodexo.com.

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

Financial calendar

Nine month revenues, Fiscal 2017	July 6, 2017
Annual results, Fiscal 2017	November 16, 2017
1st quarter revenues, Fiscal 2018	January 11, 2018
Annual Shareholders' Meeting 2018	January 23, 2018

About Sodexo

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

Sodexo is included in the CAC 40 and DJSI indices.

Key figures (as of August 31, 2016)

20.2 billion euro in consolidated revenues

425,000 employees

19th largest employer worldwide

80 countries

75 million consumers served daily

17.3 billion euro in market capitalization (as of April 12, 2017)

Forward-looking statements

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

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ACTIVITY REPORT FOR FIRST HALF FISCAL 2017

First Half performance in line with expectations, strong growth in operating profit

As expected, organic growth in the second quarter compensated for the negative growth in the first quarter, which was impacted by a high comparable base due to the Rugby World Cup and the ongoing environment in the mining and oil & gas industries. As a result, revenue organic growth for the First Half 2017 was up 1.4 % excluding these two elements.

Operating profit before exceptional expenses was up 9.7% or +7.7%, excluding the currency effect. The operating margin improved by 50 basis points, excluding the currency effect and exceptional expenses. Numerous initiatives, as part of the Adaptation and Simplification program, to improve productivity and reduce SG&A have contributed to building the margin. The program delivered 60 million euro of savings during the period. A total of 137 million euros of exceptional expenses were incurred during the period to support this program.

Net financial expense increased somewhat due mainly to an indemnity on the early reimbursement of the second tranche of the debt restructuring program in September 2016. The tax charge was lower at 32.6%. As a result, net profit before these non-recurring items was up +16.6% or 14.7% excluding currencies, and after the non-recurring items, down 3.1%.

Free cash flow amounted to 30 million euro, impacted by the decline in operating profit due to the exceptional expenses. As usual, the First Half cash flow is impacted by a seasonal deterioration in working capital. Due to the share buy-back program, the full payment of the dividend, in February, and much higher acquisition spend, net debt at the end of the period increased 827 million euro to 1,234 million euro. Nevertheless, the balance sheet remained strong with gearing[1] at 34% and a net debt ratio[2] of 0.9.

[1] *Gearing: Net Debt/Shareholders equity.*

[2] *Net Debt ratio: Net Debt/EBITDA.*

Contract wins

New signatures picked up slowly during the First Half but have accelerated in the last months of the period.

Recent significant signatures in On-site Services include:

- In Corporate Services, Sodexo signed a major new integrated services contract with **Citibanamex** (Citigroup's Mexican operations) to provide a range of Hard and Soft Facilities Management services.
- In the Energy &Resources segment, **Rio Tinto Aluminium** awarded an integrated facilities management services contract to Sodexo to supply camp management services to the Amrun bauxite project in Australia.
- In Health Care, Sodexo started operations for an important contract with **Saint Joseph** in Texas, USA, providing food and nutrition services for 5 hospitals.

Cross-selling continues to be a driver for growth:

- For **Toyota**, which is already a client in 25 countries, Sodexo significantly extended the relationship with Sodexo Magic in the US, to include their US headquarters and 3 other branches.
- For **Colgate**, Sodexo's geographical scope has now been expanded to include Argentina, Colombia, Czech Republic, Italy, Netherlands, South Africa and Turkey. The Group already delivers soft and hard FM services, as well as food, for their manufacturing facilities and corporate offices in Latin America, Europe, Middle East, Africa, Australia and the US.

A pick-up **in Universities in North America** is emerging with major new signatures including a 10-year dining services agreement with **Florida State University** and a significant food services contract with **Simon Fraser University** in Canada.

The strong development in the Schools segment in Asia is continuing, with the signature of a large contract for the opening of the **KangChiao International School** in Shanghai, China, as well as a 4-year contract with the **American International School in Guanghzou**, China.

In **Benefits & Rewards Services,** there have been noteworthy developments around the world including:

- For **Nestle** in the Philippines, Sodexo is running a nationwide product promotion campaign for their Maggi line, including roadshows and sampling.
- For employees of **Mexico's Public Prosecutor**, Sodexo has developed a comprehensive food and mobility service offer.

Growth investment

In the First Half of the year, the Group has accelerated its acquisitions and investment activity, to position Sodexo strongly for future growth, having spent a net amount 165 million euro. Given transactions closed in March 2017, and current ongoing discussions, Sodexo has visibility for at least 300 million euro of M&A spend.

To **expand Sodexo's offer**, during this First half, the Group acquired Inspirus, a US-based specialist in employee recognition; as well as PSL in the UK, a leading fresh-food procurement company, and Peyton & Byrne, which holds prestigious hospitality contracts for the top museums in London.

Sodexo Benefits & Rewards Services entered **the Mobility and Expense management business** by acquiring iAlbatros, a digital business travel reservations platform, and Xpenditure, a digital expense management system, both in March 2017.

The Group has also **strengthened its Technical Facilities Management capacity** and expertise with the acquisition of FM specialist Tadal in Israel, and by taking, in March 2017, a minority stake in Mentor Technical Group in Puerto Rico, specialized in technical and FM services for the pharmaceutical industry.

Sodexo **consolidated its positions in various markets**, by buying out the Doyon and FAW partners in Alaska and China, and acquiring Prestige Nursing + Care, a leading UK in-home senior care private-pay provider.

In addition, Sodexo Ventures, the Group's strategic venture capital fund, has continued to invest in dynamic and innovative start-ups linked to the Group's operations.

Commitments and Recognition

Sodexo has continued to be recognized for its commitments as a responsible corporate citizen.

- For the tenth year in a row, Sodexo was ranked as the top-scoring company in its sector in RobecoSAM's "Sustainability Yearbook", earning Gold Class distinction that recognizes companies that are "strongly positioned to create long-term shareholder value" through their Corporate Responsibility efforts.
- Sodexo CEO Michel Landel joined "Champions 12.3," a coalition of executives from government, business, research institutions, farmer groups, and civil society working to achieve the UN's Sustainable Development Targets related to reducing food loss and waste.
- For the 7th year in a row, Sodexo is among the FORTUNE World's Most Admired Companies. In its industry the Group is ranked No. 1 in 3 categories: Social Responsibility, Innovation and Global Competitiveness.
- These global recognitions reflect the many actions and commitments Sodexo carries out in countries around the world within the framework of its group wide Corporate Responsibility roadmap. For example, in Colombia, Sodexo has implemented the Partner Inclusion Program which helps develop SMEs and women-owned businesses. As a result, Sodexo Columbia was named Corporation of the Year in 2017 by WEConnect international (a network connecting women business owners to multinational corporate supply chains).

Research and thought leadership

As a leader in Quality of Life Services, Sodexo continues to explore the frontiers of research into the link between Quality of Life and performance in today's rapidly-changing work environment.

- The Group recently issued its first Global Workplace Trends report, a far-reaching look at the most critical factors affecting the world's workers and employers. As a top global employer providing quality of life services to 10,000 companies around the world, Sodexo has a direct vision and understanding of the factors that will shape the workplace of the future.
- In January 2017, in partnership with Harvard University, Sodexo was awarded a four-year grant to study the needs of front-line workers in terms of health, safety, and wellbeing. Sodexo hopes to use the findings from this research to make industry recommendations and changes that will improve not only the quality of life of our employees, but that of a broad spectrum of employees throughout the sector.

- The Group has also published a study looking into the drivers of productivity, employee engagement and talent retention for knowledge workers in the UK (the fastest-growing segment in the labor force in the UK). Insights from the study will help Sodexo improve workplace design and employee satisfaction and productivity for its clients.

FIRST-HALF FISCAL 2017 PERFORMANCE

Revenues

Consolidated revenues for the First Half of Fiscal 2017 totaled 10.6 billion euro up +0.4%. The currency effect contributed +0.1% to reported growth for the period, with favorable changes in the US dollar (+2.3% vs. Fiscal 2016) and the Brazilian real (+16.7%) offsetting the decline in the Pound Sterling (-11.1%). Acquisitions and disposals of subsidiaries had a net positive impact of +0.3%. This leaves organic revenue growth at +0.0%.

Revenues by activity

Revenues *(in millions of euro)*	First-Half Fiscal 2017	First-Half Fiscal 2016	Published growth	Scope changes	Currency effect	Organic growth
Business & Administrations	**5,196**	**5,322**	**-2.4%**	**+0.2%**	**-0.5%**	**-2.1%**
Health Care & Seniors	**2,500**	**2,419**	**+3.3%**	**+0.1%**	**+0.1%**	**+3.1%**
Education	**2,483**	**2,465**	**+0.7%**	**-**	**+0.4%**	**+0.3%**
Total On-site Services	**10,179**	**10,206**	**-0.3%**	**+0.1%**	**-0.1%**	**-0.3%**
Total Benefits & Rewards Services	**457**	**393**	**+16.4%**	**+4.0%**	**+5.0%**	**+7.4%**
Elimination of intra-group revenues	(2)	(3)				
TOTAL GROUP	**10,634**	**10,596**	**+0.4%**	**+0.3%**	**+0.1%**	**+0.0%**

Analysis of organic growth in On-site Services

First Half Fiscal 2017 On-site Services organic growth was -0.3%, and +1.2% excluding the Rugby World Cup and the impact of Energy & Resources.

Business & Administrations

Revenues

(in millions of euro)	First-Half Fiscal 2017	First-Half Fiscal 2016	Organic growth
North America	1,211	1,148	+3.7%
Europe	2,611	2,930	-7.6%
Africa, Asia, Australia, Latin America, Middle East	1,374	1,243	+5.6%
Total Business & Administrations	**5,196**	**5,322**	**-2.1%**

First Half Fiscal 2017 On-site Services revenues in **Business & Administrations** totaled 5.2 billion euro, down organically by -2.1% compared with First Half Fiscal 2016 which benefited from the Rugby World Cup, or +0.7% excluding the Rugby World Cup and Energy & Resources. This performance reflects strong growth in Corporate Services in North America and developing economies, generally weak activity in France, and slow new business in the UK. The trend in Energy & Resources is improving progressively, albeit still down by -2.7% in the semester, helped by an easier comparable base and new contract start-ups.

Organic growth in **North America** was **+3.7%.** High single digit growth in Corporate Services, supported by Airline lounge activity, was somewhat offset by the continued weakness in Energy & Resources and Government services.

Europe was down **-7.6%,** combining all the difficulties of the period with a high comparable base to contend with more than half of the decline was due to the Rugby World Cup in the First quarter Fiscal 2016. The rest was a combination of a 16% decline in North Sea oil & gas activities, and, in France, slow economic growth and the loss of a prison contract in January 2016, even though the tourism activity picked up in the last two months of the semester.

In **Africa, Asia, Australia, Latin America and the Middle East**, organic growth of **+5.6%** reflects continued strong growth in Corporate services thanks to new contracts in all the regions and stabilization of Energy & Resources due to a recovery in the mining and onshore activities, and some contract start-ups. However, the offshore activity remains tough in all regions.

Health Care & Seniors

Revenues

(in millions of euro)	**First-Half Fiscal 2017**	First-Half Fiscal 2016	**Organic growth**
North America	1,657	1,568	+4.4%
Europe	729	762	-0.7%
Africa, Asia, Australia, Latin America, Middle East	114	90	+13.3%
Total Health Care & Seniors	**2,500**	**2,419**	**+3.1%**

In **Health Care & Seniors**, revenues totaled 2.5 billion euro, with organic growth at +3.1%.

Organic growth in **North America** was **+4.4%,** due to solid growth in same site sales, as a result of the development of facilities management services and the contribution from new contracts.

The **-0.7%** decline in **Europe** reflects the lack of net new business in hospitals in France and the UK due to much greater selectivity in bidding. This is compensated by some same site sales growth and the Korian Seniors contract ramp-up.

In **Africa, Asia, Australia, Latin America and the Middle East**, growth in the segment is strong at **+13.3%** boosted by strong growth in Brazil due to multiple contract wins and increased same site sales. Sales were up double digit in Chile and high single digit in Asia.

Education

Revenues

(in millions of euro)	First-Half Fiscal 2017	First-Half Fiscal 2016	Organic growth
North America	1,952	1,924	+0.2%
Europe	494	508	-0.3%
Africa, Asia, Australia, Latin America, Middle East	37	33	+10.5%
Total Education	**2,483**	**2,465**	**+0.3%**

In **Education**, revenues for First Half Fiscal 2017 amounted to 2.5 billion euro, up organically by +0.3% despite being impacted by 3 working days less in the First Half in North America and France.

North America organic growth was **+0.2%**, the result of solid growth in Schools, with the extension of the Chicago Public Schools contract and the ramp-up of the new Washington DC Schools contract. This was offset by the impact of three working days having shifted from the First Half to the Second Half. In a strong positive sign, during the Second quarter, contracts were signed with three important universities: Florida State University, Simon Fraser University in Canada, and Citadel in South Carolina.

In **Europe**, organic growth of **-0.3%** was also impacted by the lower number of working days, particularly in France and low development in France and the UK. Growth remained robust in Italy.

In **Africa, Asia, Australia, Latin America, and the Middle East**, organic growth was **+10.5%** resulting from very strong growth in new Schools contracts in China, Singapore and India.

On-site Services revenues by region

Revenues *(in millions of euro)*	First-Half Fiscal 2017	First-Half Fiscal 2016	Published growth	Organic growth
North America	**4,821**	4,640	**+3.9%**	**+2.5%**
Europe	**3,833**	4,200	**-8.7%**	**-5.5%**
Africa, Asia, Australia, Latin America, Middle East	**1,525**	1,366	**+11.6%**	**+6.2%**
Total On-site Services	**10,179**	**10,206**	**-0.3%**	**-0.3%**

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

North America revenue organic growth of **+2.5%** is supported by strong Corporate services, solid cross-selling in hospitals muted by modest growth in Education, impacted by fewer days, and the continued decline in Energy & Resources, particularly in Canada.

The organic decline of **-5.5%** in **Europe** reflects the concentration of all the major issues of the quarter with the full Rugby World Cup effect, a 16% fall in North Sea Energy & Resources activity, and general weakness in France. Excluding the Rugby World Cup sources, organic growth would have been -2.6%.

Africa, Asia, Australia, Latam and Middle East achieved **+6.2%** organic growth. This was a combination of solid new Corporate business in all regions, strong growth in hospitals, particularly in Latin America and the stabilization of the Energy & Resources activities helped by the new business start-ups.

Benefits & Rewards Services

Benefits & Rewards Services revenue amounted to 457 million euro, up 16.4%. Currencies contributed +5.0% to this growth, resulting in particular from the recovery of the Brazilian real. The acquisition of Inspirus in Incentive and Recognition in the US, net of disposals, contributed a further 4.0% to growth. Organic growth was therefore +7.4%, compared to growth in issue volume[1] also strong at +6.8%.

Issue volume

(in millions of euro)	**First-Half Fiscal 2017**	First-Half Fiscal 2016	**Organic growth**
Latin America	3,972	3,287	+7,5%
Europe, Asia and USA	5,142	4,914	+6.3%
Total Issue volume	**9,114**	**8,201**	**+6.8%**

Revenues

(in millions of euro)	**First-Half Fiscal 2017**	First-Half Fiscal 2016	**Organic growth**
Latin America	216	186	+2.9%
Europe, Asia and USA	241	207	+11.5%
Total revenues	**457**	**393**	**+7.4%**

Organic growth in **Latin America** is at **+7.5%** for Issue volume and **+2.9%** for revenues**.** Strong growth in issue volume across the region reflected strong demand in most countries, except in Brazil, where a decline in the number of beneficiaries was more than offset by increasing face values. However, there was a marked slowdown in revenue growth due to a highly competitive environment in Brazil.

In **Europe, Asia and USA,** organic growth in Issue volume and revenues was particularly strong this half year at **+6.3%** and **+11.5%** respectively. This performance is due to solid face value increases in Belgium, introduced from January 2016, and strong growth in Italy and Central Europe during the semester. The First Half Fiscal 2017 also benefited from strong Incentive and Recognition activity in the USA and the UK (revenues without Issue Volume).

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

Operating profit

First Half Fiscal 2017 operating profit before exceptional expenses amounted to 723 million euro, up 9.7%, or +7.7% excluding the currency effect. The operating margin before exceptional expenses was 6.8%, up +60 basis points relative to the previous year, or +50 basis points excluding the currency effect.

Numerous initiatives, as part of the Adaptation and Simplification program, to improve productivity and reduce SG&A have been implemented over the last 18 months in all segments and in all regions. These projects are contributing progressively to build the margin. The program delivered 60 million euro of savings for the period and is expected to ramp-up to deliver around 140 million euro in Fiscal 2017 and 220 million euro of annual savings in Fiscal 2018. This is enhancing the Group's capacity to invest in growth.

After deducting 137 million euro in exceptional expenses related to these Adaptation and Simplification measures, compared to 37 million euro in First Half Fiscal 2016, operating profit amounted to 586 million euro against 621 million euro in First Half Fiscal 2016.

All operating profit amounts in the rest of this report are stated excluding exceptional expenses.

Operating profit by activity[1]

(in millions of euro)	**Operating profit First-Half Fiscal 2017**	Operating profit First-Half Fiscal 2016	Change in Operating profit	Change in Operating profit (excluding currency effect)	**Operating margin First-Half Fiscal 2017**	Change in operating margin (excluding currency mix effect)	Change in operating margin
Business & Administrations	**217**	222	-3.0%	-1.4%	**4.2%**	=	=
Health Care & Seniors	**157**	132	+18.8%	+19.2%	**6.3%**	+80 bps	+80 bps
Education	**251**	233	+7.7%	+6.7%	**10.1%**	+70 bps	+70 bps
On-site Services	**625**	**587**	**+6.1%**	**+6.4%**	**6.1%**	**+30 bps**	**+30 bps**
Benefits & Rewards Services	**149**	**133**	**+12.9%**	**+1.7%**	**32.7%**	**-300 bps**	**-110 bps**
Corporate expenses & Intragroup eliminations	**(51)**	**(62)**					
OPERATING PROFIT BEFORE EXCEPTIONAL EXPENSES	**723**	**658**	**+9.7%**	**+7.7%**	**6.8%**	**+50 bps**	**+60 bps**

[1] *Before 137 million euro in exceptional expenses related to the Adaptation and Simplification program in First Half Fiscal 2017 and 37 million euro in First Half Fiscal 2016.*

On-site Services margins grew 30 basis points led by productivity gains, enhanced operating efficiency and more efficient purchasing. Much of these improvements were linked to the numerous projects included in the Adaptation and Simplification program. The performance by segment is as follows:

- **Business & Administrations** operating profit decreased by -1.4% excluding the currency effect and the operating margin was flat. This stability was achieved despite the decline in revenues and the Rio Tinto ramp-up this year thanks to rigorous control of SG&A and numerous initiatives linked to the Adaptation and Simplification program.
- In **Health Care & Seniors** the +19.2 % growth in operating profit and +80 basis points increase in operating margin, excluding currency effects were attributable to growth in revenues, reduction in SG&A, improved onsite efficiency, the benefits of strong cross-selling in the UK and North America and favorable comparable base.
- In **Education,** operating profit rose by +6.7% excluding the currency effect and the margin increased +70 basis points. This strong performance despite the lack of organic growth was due to strict control of SG&A, labor productivity and the full year effect of operational performance improvement of a few key contracts.

In **Benefits & Rewards Services**, the operating profit was up 12.9% boosted by a very significant recovery in the Brazilian Real. Excluding this currency contribution, operating profit was up 1.7%. As a result, margins were down 110 basis points on a published basis and 300 basis points on a constant currency basis. About two thirds of the decline in the margin is due to a mix effect linked to the exceptionally strong Incentive and Recognition growth in the USA and UK during the First Half Fiscal 2017, as well as the first time consolidation of Inspirus. The rest is linked to accelerated card migration investments and the cost of developing the new Mobility and Expense management business. For the traditional meal and food business, margins remain solid at their current high levels.

Group net profit

Operating Profit (after exceptional expenses of 137 million euros) was 586 million euros against 621 million euro (after 37 million euro of exceptional expenses) in the same period last year.

Net financial expense increased by 7 million euro to 56 million euro for the First Half Fiscal 2017.

On the one hand, net borrowing costs fell 4 million euro to 41 million euro, resulting from a **lower average cost of debt at 2.1%** in First Half Fiscal 2017. This reduction is due to the positive effect of the negative interest rates on the commercial paper, and the benefits of the August to September 2016 debt restructuring. Excluding the commercial paper, the average cost of long term debt is 2.6% (vs. 3.2% at August 31, 2016).

On the other hand, an **11 million euro indemnity** was included in other financial charges for the early redemption of the last portion of the US private placement debt.

The **effective tax rate** fell to **32.6%** from 35.5% in First Half Fiscal 2016 due to the one-off recognition of a tax rebate on past European subsidiary dividend taxes, booking of deferred tax assets and some reversal of tax provisions.

The share of **profit of other companies consolidated by the equity method** was 2 million euro against 5 million euro the previous year. Profit attributed to non-controlling interests was at 12 million euro against 16 million euro the previous year.

As a result, **Group net profit** was 348 million euro, down -3.1%. **Group net profit before non-recurring items** (net of taxes) amounted to 447 million euro, an increase of 16.6% at current rates or +14.7% excluding the currency effect. Non-recurring items consisted of the exceptional expenses of

137 million euro and the debt reimbursement indemnity of 11 million euro, together 99 million euro net of tax.

Earnings per share before non-recurring items amounted to 2.98 euro, up +18.3% relative to the previous year.

After non-recurring items, **EPS was 2.32 euro, down -1.7%.** The small accretion relative to the change in net profit (-3.1%) is due to the reduction of the average share count by 1.4% to 149.9 million shares from First Half 2016 to First Half Fiscal 2017. This is the result of the share buy-back programs in Fiscal 2016 and Fiscal 2017 somewhat offset by a small reduction in treasury share held for the employee free share plans.

Consolidated financial position

Cash flows

Cash flows for the period were as follows:

(in millions of euro)	**First-Half Fiscal 2017**	**First-Half Fiscal 2016**
Operating cash flow	**523**	**587**
Change in working capital excluding change in BRS financial assets*	**(388)**	**(357)**
Net capital expenditure	**(105)**	**(176)**
Free cash flow	**30**	**54**
Net acquisitions	**(165)**	**(39)**
Share buy-backs (to end February)	**(316)**	**(193)**
Dividends paid to shareholders	**(359)**	**(335)**
Other changes in shareholders' equity (including change in financial assets[1], scope and exchange rates)	**(17)**	**(70)**
(Increase)/decrease in net debt	**(827)**	**(583)**

* Excluding change in financial assets in Benefits & Rewards of €(38)m in H1'17 and €43m in H1'16. Total Change in working capital as reported in Consolidated accounts: **H1'17** of €(426)m = €(388)m + €(38)m and **H1'16** of €(314)m = €(357)m + €43m

The decrease in Operating cash flow reflects the decline in the operating profit due to the high level of exceptional expenses during the period. The deterioration in working capital is principally due to a seasonal impact and some slowness in client payments. Net capital expenditure and client investments, at 105 million euro, was significantly down on the previous year which had been impacted by the payment of the same Rugby World Cup event license. As a result, operating free cash flow amounted to 30 million euro, slightly down on the 54 million euro generated in First Half Fiscal 2016.

[1] *Including Sodexo Ventures investments in Wynd, Neo-Nomade and Life-Dojo*

M&A activity increased significantly during the period resulting in a net amount spent of 165 million euro. Full detail of these acquisitions is provided in the "Growth investment" section. The combination of the investments, the 300 million euro share buy-back program, announced in November 2016 and completed in February 2017, and the annual dividend payment of 359 million euro, resulted in an increase in net debt of 827 million euro.

Acquisitions for the period

During First Half Fiscal 2017, the Group accelerated its M&A activity with acquisitions in several regions and activities. The revenue contribution of these acquisitions during the First Half was 35 million euro. The total net spend during the period was 165 million euro.

Sodexo Ventures also purchased minority stakes in three start-ups as part of the Sodexo Ventures fund.

Share buy-back programs

On November 19, 2016, Sodexo announced a 300 million euro share buy-back program, for the second consecutive year, reflecting the particularly strong balance sheet at Fiscal 2016 year-end and the Board's confidence in the future of the Group. The share buy-backs were completed in February 2017 with the purchase of 2,910,690 shares, or 1.9% of the capital, at an average share price of 103.07€. As a result, the average share count for First Half Fiscal 2017 is 149,936,978 shares, down 1.4% relative to the First Half Fiscal 2016.

Condensed financial position

Condensed consolidated statement of financial position at February 28, 2017

(in millions of euro)	**February 28, 2017**	February 29, 2016
Non-current assets	**7,916**	7,357
Current assets excluding cash	**5,532**	4,855
Restricted cash Benefits & Rewards	**486**	448
Financial assets Benefits & Rewards	**376**	241
Cash	**1,698**	1,224
Total assets	**16,008**	**14,125**

	February 28, 2017	February 29, 2016
Shareholders' equity	3,574	3,562
Non-controlling interests	39	45
Non-current liabilities	4,227	3,698
Current liabilities	8,168	6,820
Total liabilities and shareholders' equity	**16,008**	**14,125**
Gross borrowings	**3,758**	2,800
Net debt	**1,234**	923
Gearing ratio	**34%**	26%
Net debt Ratio	**0.9**	0.6

As of February 28, 2017, net debt was 1,234 million euro, representing 34% of shareholders' equity, compared to 11% at the end of Fiscal 2016 and to 26% as of February 29, 2016. Despite the seasonally high level of debt at the end of the first half of the year, the Group's financial position remains very strong. At the end of the First Half Fiscal 2017, the Group had unused lines of credit totaling 1.2 billion euro.

The increase in gross borrowings was due to the effects of the August to September 2016 debt restructuring with the early redemption of some US private placement debt at high interest rates and the issue of a 600 million euro-bond issue at a coupon of 0.75%.

The operating cash position (which includes Benefits & Rewards Services cash investments and restricted cash) totaled €2,524 million, of which €1,847 million related to Benefits & Rewards Services, including 486 million euro of restricted cash and 376 million euro of financial assets (of more than 3 months).

Subsequent events

Beside the acquisitions following the First Half Fiscal 2017 closing as mentioned in the section “Growth investment”, no other significant event has been identified since the closing of the interim accounts.

Related party transactions

The main related party transactions are presented in Notes 6.4.7 and 6.4.8 to the consolidated financial statements.

Main risks and uncertainties

The main risks and uncertainties are not materially different from those described in the "Risk Factors" section of the Fiscal 2016 Registration Document, filed with the *Autorité des Marchés Financiers* (AMF) on November 21, 2016, except for the tax litigation in Brazil mentioned in the section 6.4.8 “Other disclosures” of the First Half Fiscal 2017 consolidated financial statement.

Alternative Performance Measures Definitions

Exceptional expenses

Exceptional expenses are the costs of implementation of the Adaptation and Simplification program and Operational Efficiency Program (€137m in H1 2017, €37m in H1 2016 and €108m in Fiscal 2016).

Free cash flow

Please refer to Consolidated Financial position.

Growth excluding currency effect

Change excluding currency effect calculated converting H1 2017 figures at FY 2016 rates, except for countries with hyperinflationary economies. As a result for Venezuelan Bolivar, H1 2017 and H1 2016 figures in VEF have been converted at the exchange rate of USD 1 = VEF 700 vs. VEF 645 for FY 2016.

Issue volume

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

Net debt

Group gross borrowings at the balance sheet less operating cash.

Net profit before non-recurring items

Reported Net Profit excluding non-recurring items net of taxes (respectively €92m for exceptional expenses and €7m for early debt reimbursement indemnity in H1 2017, and €24m for exceptional expenses in H1 2016).

Non-recurring items

For H1 2017: exceptional expenses of €137m related to the Adaptation and Simplification program in operating profit and €11m of early debt reimbursement indemnity in financial expense, both net of taxes (respectively €92m and €7m). For H1 2016 it concerns exceptional expenses of €37m (or €24m net of taxes) related to the Adaptation and Simplification program.

Operating margin

Operating profit divided by Revenues

Operating margin before exceptional expenses

Operating profit before exceptional expenses divided by Revenues

Operating margin at constant rate

Margin calculated converting H1 2017 figures at FY 2016 rates, except for countries with hyperinflationary economies.

As a result for Venezuelan Bolivar, H1 2017 and H1 2016 figures in VEF have been converted at the exchange rate of USD 1 = VEF 700 vs. VEF 645 for FY 2016.

Operating profit before exceptional expenses

Reported Operating Profit excluding exceptional expenses (€137m in H1 2017, €37m in H1 2016 and €108m in Fiscal 2016).

Organic growth

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

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

- for businesses divested during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.

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

As a result, for the calculation of organic growth, Benefits & Rewards figures for H1 2017 and H1 2016 in Venezuelan Bolivar, have been converted at the exchange rate of USD 1 = VEF 700 vs. VEF 645 for FY 2016.

Financial Ratios Definitions

		H1 2017	H1 2016
Gearing ratio	(Gross borrowings[1] - operating cash[2]) / (Shareholders' equity and non-controlling interests)	34%	26%
Net debt ratio	(Gross borrowings[1] - operating cash[2]) / (Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)[3])	0.9	0.6

Financial Ratios Reconciliation:

		H1 2017	H1 2016
[1] Gross borrowings	Non-current borrowings	3,079	2,753
	+ current borrowings excluding overdrafts	685	51
	- derivative financial instruments recognized as assets	(6)	(4)
		3,758	**2,800**
[2] Operating cash	Cash and cash equivalents	1,698	1,224
	+ financial assets related to the Benefits and Rewards Services activity	862	689
	- bank overdrafts	(36)	(36)
		2,524	**1,877**
[3] Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)*	Operating profit (last 12 months)	1,060	1,144
	+ depreciation and amortization (last 12 months)	272	324
		1,332	**1,468**

** EBITDA including exceptional expenses (€37 million in H1'16, €71 million in H2'16 and €137 million in H1'17)*

Currency effect

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

(H1'17)	% of revenues	% of Operating profit before exceptional expenses
U.S. dollar	44%	54%
Euro	25%	10%
UK pound sterling	8%	6%
Brazilian real	5%	16%

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

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

1€ =	Average rate H1 Fiscal 17	Average rate H1 Fiscal 16	Reference rate FY Fiscal 16	Change H1'17 vs. Reference FY'16	Closing rate H1 Fiscal 17 at 28/02/17	Closing rates: change H1'17 vs. H1'16
U.S. Dollar	**1.081**	1.094	1.106	**+2.3%**	**1.060**	**+2.7%**
Pound Sterling	**0.863**	0.735	0.767	**-11.1%**	**0.853**	**-7.9%**
Brazilian Real	**3.486**	4.290	4.069	**+16.7%**	**3.281**	**+32.3%**

During First Half Fiscal 2017, the U.S. dollar has strengthened by 2.3% relative to the euro vs. Fiscal 2017 exchange rates. The Brazilian real has strengthened by 16.7%, boosting the revenue and more importantly the profit contribution of the Benefits & Rewards activity, as the margins are so much higher than the onsite business. The 11% decline in UK sterling against the euro from June 2016, after the Brexit referendum, impacts revenues and profits of the onsite business.

In terms of the Venezuelan Bolivar, the Group considers that the best estimate of the exchange rate at which funds from its activities in Venezuela could be repatriated is the DICOM rate. All Fiscal 2017 and Fiscal 2016 figures in VEF have been converted at the exchange rate of USD 1 = VEF 700 vs. VEF 645 for FY 2016.

2

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 CONSOLIDATED INCOME STATEMENT

(in millions of euro)	Notes	First-Half Fiscal 2017	First-Half Fiscal 2016
Revenues	6.3	**10,634**	**10,596**
Cost of sales	6.4.4	(8,987)	(8,960)
Gross profit		**1,647**	**1,636**
Administrative and Sales Department costs	6.4.4	(1,035)	(1,004)
Other operating income	6.4.4	11	8
Other operating expenses	6.4.4	(39)	(22)
Operating profit before share of profit of companies consolidated by the equity method that directly contribute to the Group's business[1]		**584**	**618**
Share of profit of companies consolidated by the equity method that directly contribute to the Group's business		2	3
Operating profit	**6.3**	**586**	**621**
Financial income	6.4.5	14	18
Financial expense	6.4.5	(70)	(67)
Share of profit of other companies consolidated by the equity method		2	5
Profit for the period before tax		**532**	**577**
Income tax expense	6.2.3	(172)	(202)
Profit for the period		**360**	**375**
Of which:			
Attributable to non-controlling interests		12	16
Profit attributable to equity holders of the parent		**348**	**359**
Basic earnings per share *(in euro)*	6.4.6	**2.32**	**2.36**
Diluted earnings per share *(in euro)*	6.4.6	**2.29**	**2.33**

[1] Including 137 million euro in expenses recorded in the First Half of Fiscal 2017 (37 million euro in the First Half of Fiscal 2016) in connection with the Adaptation and Simplification program (see note 6.2.3)

2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of euro)	**First-Half Fiscal 2017**	**First-Half Fiscal 2016**
Profit for the period	**360**	**375**
Components of other comprehensive income to be reclassified subsequently to profit or loss		
Change in fair value of available-for-sale financial assets	(1)	1
Change in fair value of Cash Flow Hedge instruments		(2)
Change in fair value of Cash Flow Hedge instruments reclassified to profit or loss		1
Currency translation adjustment	206	(50)
Currency translation adjustment reclassified to profit or loss	(5)	
Tax on components of other comprehensive income to be reclassified subsequently to profit or loss		
Share of other components of comprehensive income of companies consolidated by the equity method, net of tax	(1)	
Components of other comprehensive income that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit plan obligation		
Tax on components of other comprehensive income that will not be reclassified subsequently to profit or loss		
Total other comprehensive income (loss), after tax	**199**	**(50)**
Comprehensive income	**559**	**325**
Of which:		
Attributable to equity holders of the parent	545	309
Attributable to non-controlling interests	14	16

3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

(in millions of euro)	Notes	February 28, 2017	August 31, 2016
NON-CURRENT ASSETS			
Property, plant and equipment		626	604
Goodwill		5,647	5,328
Other intangible assets		514	467
Client investments		560	562
Companies consolidated by the equity method		77	95
Financial assets		159	125
Derivative financial instrument assets	6.4.3	4	5
Other non-current assets		21	25
Deferred tax assets		308	287
Total non-current assets		**7,916**	**7,498**
CURRENT ASSETS			
Financial assets		36	44
Derivative financial instrument assets	6.4.3	2	
Inventories		279	268
Income tax receivable		300	184
Trade and other receivables		4,915	3,990
Restricted cash and financial assets related to the Benefits and Rewards Services activity		862	799
Cash and cash equivalents	6.4.2	1,698	1,375
Total current assets		**8,092**	**6,660**
TOTAL ASSETS		**16,008**	**14,158**

Shareholders' equity and liabilities

(in millions of euro)	Notes	February 28, 2017	August 31, 2016
SHAREHOLDERS' EQUITY			
Share capital		615	615
Additional paid-in capital		822	822
Reserves and retained earnings		2,137	2,231
Equity attributable to equity holders of the parent		**3,574**	**3,668**
Non-controlling interests		**39**	**34**
Total shareholders' equity	6.4.1	**3,613**	**3,702**
NON-CURRENT LIABILITIES			
Borrowings	6.4.3	3,078	2,515
Derivative financial instrument liabilities	6.4.3	1	
Employee benefits		578	587
Other non-current liabilities		196	193
Provisions		102	105
Deferred tax liabilities		272	149
Total non-current liabilities		**4,227**	**3,549**
CURRENT LIABILITIES			
Bank overdrafts		36	28
Borrowings	6.4.3	684	43
Derivative financial instrument liabilities	6.4.3	1	
Income tax payable		118	124
Provisions		100	89
Trade and other payables		4,190	3,945
Vouchers payable		3,039	2,678
Total current liabilities		**8,168**	**6,907**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**16,008**	**14,158**

4 CONSOLIDATED CASH FLOW STATEMENT

(in millions of euro)	Notes	First-Half Fiscal 2017	First-Half Fiscal 2016
Operating activities			
Operating profit of consolidated companies		**584**	**618**
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		140	176
Provisions		19	(7)
(Gain)/loss on disposal and other non-cash items			6
Dividends received from companies consolidated by the equity method		5	5
Interest paid		(61)	(65)
Interest received		14	19
Income tax paid		(178)	(165)
Operating cash flow		**523**	**587**
Change in inventories		1	6
Change in trade and other receivables		(781)	(436)
Change in trade and other payables		98	(144)
Change in vouchers payable		294	217
Change in financial assets related to the Benefits and Rewards Services activity		(38)	43
Change in working capital from operating activities		**(426)**	**(314)**
Net cash provided by operating activities		**97**	**273**
Investing activities			
Acquisitions of property, plant and equipment and intangible assets		(144)	(173)
Disposals of property, plant and equipment and intangible assets		12	7
Change in client investments		29	(9)
Change in financial assets		(17)	(37)
Acquisitions of subsidiaries		(160)	(35)
Disposals of subsidiaries		(5)	(4)
Net cash used in investing activities		**(285)**	**(251)**
Financing activities			
Dividends paid to parent company shareholders	6.4.1	(359)	(335)
Dividends paid to non-controlling shareholders of consolidated companies		(12)	(6)
Purchases of treasury shares	6.4.1	(316)	(193)
Sales of treasury shares	6.4.1	14	43
Change in non-controlling interests			(3)
Proceeds from borrowings	6.4.3	1,233	
Repayment of borrowings	6.4.3	(98)	(324)
Net cash provided by/(used in) financing activities		**462**	**(818)**
Change in net cash and cash equivalents		**274**	**(796)**
Net effect of exchange rates and other effects on cash		41	15
Net cash and cash equivalents, beginning of period		1,347	1,969
Net cash and cash equivalents, end of period	**6.4.2**	**1,662**	**1,188**

5 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in millions of euro)	Shares outstanding	Share capital	Additional paid-in capital	Treasury shares	Reserves and comprehensive income	Currency translation adjustment	Total shareholders' equity: Attributable to equity holders of the parent	Total shareholders' equity: Non-controlling interests	Total shareholders' equity: Total
Notes					**6.4.1**				
Shareholders' equity as of August 31, 2016	**153,741,139**	**615**	**822**	**(352)**	**3,008**	**(425)**	**3,668**	**34**	**3,702**
Profit for the period					348		348	12	360
Other comprehensive income (loss), net of tax					(2)	199	197	2	199
Comprehensive income					**346**	**199**	**545**	**14**	**559**
Dividends paid					(359)		(359)	(11)	(371)
Treasury shares				(300)			(300)		(300)
Share-based payment (net of income tax)					21		21		21
Other[1]					(1)		(1)	2	1
Shareholders' equity as of February 28, 2017	**153,741,139**	**615**	**822**	**(652)**	**3,015**	**(226)**	**3,574**	**39**	**3,613**

[1] Including the effects of hyperinflation.

(in millions of euro)	Shares outstanding	Share capital	Additional paid-in capital	Treasury shares	Reserves and comprehensive income	Currency translation adjustment	Total shareholders' equity: Attributable to equity holders of the parent	Total shareholders' equity: Non-controlling interests	Total shareholders' equity: Total
Notes					**6.4.1**				
Shareholders' equity as of August 31, 2015	**157,132,025**	**628**	**1,109**	**(434)**	**2,826**	**(419)**	**3,710**	**34**	**3,744**
Profit for the period					359		359	16	375
Other comprehensive income (loss), net of tax						(50)	(50)		(50)
Comprehensive income					**359**	**(50)**	**309**	**16**	**325**
Dividends paid					(335)		(335)	(7)	(342)
Treasury shares				(148)			(148)		(148)
Share-based payment (net of income tax)					23		23		23
Change in ownership interest without any change of control					(2)		(2)		(2)
Other[1]					5		5	2	7
Shareholders' equity as of February 29, 2016	**157,132,025**	**628**	**1,109**	**(582)**	**2,876**	**(469)**	**3,562**	**45**	**3,607**

[1] Including the effects of hyperinflation.

The following notes are an integral part of the condensed interim consolidated financial statements.

6 NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Sodexo is a *société anonyme* (a form of limited liability company) domiciled in France, with its headquarters located in Issy-les-Moulineaux.

The condensed interim consolidated financial statements for the six-month period from September 1, 2016 to February 28, 2017 were approved by the Board of Directors on April 11, 2017.

6.1 Significant events

As part of the Group's debt restructuring process begun in August 2016, on September 29, 2016 Sodexo SA redeemed in advance of maturity 108 million U.S. dollars' worth of its March 2011 U.S. private placement, and on October 14, 2016 it issued 600 million euro worth of bonds maturing in April 2027. These refinancing transactions have enabled the Group to reduce the average cost of borrowings and extend the overall maturity of its debt.

On November 15, 2016, the Board of Directors decided to launch a 300 million euro share buy-back and cancellation program. As of February 28, 2017, the Company had bought back 2,910,690 shares under this program (representing 1.9% of the capital), for 300 million euro (see note 6.4.1, "Consolidated statement of changes in shareholders' equity").

During the First Half of Fiscal 2017, Sodexo acquired PSL (a leading fresh-food GPO in the UK) and Inspirus (an employee engagement services specialist based in Texas, USA), among others.

6.2 Basis of preparation of the financial statements

6.2.1. General principles

The condensed interim consolidated financial statements for the six months ended February 28, 2017 have been prepared in accordance with IAS 34 "Interim Financial Reporting", as published by the IASB and adopted by the European Union. They do not include all of the disclosures required for complete annual financial statements and should be read in conjunction with the consolidated financial statements of the Sodexo Group for the fiscal year ended August 31, 2016, except for certain interim reporting requirements as described below.

Amounts in tables are expressed in millions of euro unless otherwise indicated.

6.2.2. Standards and interpretations

The accounting policies applied by the Group in the condensed interim consolidated financial statements are the same as those used in the annual consolidated financial statements for the fiscal year ended August 31, 2016.

The new standards, interpretations and amendments whose application was mandatory for the Group effective for the fiscal year beginning September 1, 2016 did not have a material impact on the interim consolidated financial statements.

The Group has not early adopted any standards or interpretations whose application is not mandatory in Fiscal 2017.

The Group has not applied any IFRS standard that had not yet been approved by the European Union as of February 28, 2017. During the First Half of Fiscal 2017, the Group continued to analyze the impacts of applying IFRS 15 “Revenue from Contracts with Customers”, IFRS 9 “Financial Instruments” and IFRS 16 “Leases”.

6.2.3. Specific interim reporting requirements

Income tax expense

Income tax expense (current and deferred) in the condensed interim consolidated financial statements is computed by applying the estimated average annual tax rate for the current fiscal year to each tax reporting entity’s pre-tax profit for the First Half of the year. The resulting deferred tax charge or benefit is recognized in deferred tax assets or deferred tax liabilities in the consolidated statement of financial position.

Post-employment and other long-term employee benefits

The expense for post-employment and other long-term employee benefits is computed as one-half of the annual charge estimated as of August 31, 2016. There were no material plan amendments in the First Half of Fiscal 2017.

Adaptation and Simplification program

At the beginning of Fiscal 2016, the Group launched an Adaptation and Simplification program covering a period of approximately 18 months. The program has three core aims: further realignment of site level operating expenses, organizational simplification and increased international mutualization. The costs incurred in connection with this program are presented under various operating expense captions in the income statement depending on the functions concerned. In the Group’s segment information, they are presented in the “Unallocated” column. They correspond mainly to reorganization costs.

6.2.4. Use of estimates

The preparation of the condensed interim consolidated financial statements requires the management of Sodexo and its subsidiaries to make estimates and assumptions that may affect the amounts reported for assets, liabilities and contingent liabilities as of the date of preparation of the financial statements, and of revenues and expenses for the period.

These estimates and valuations are updated continuously based on past experience and on various other factors considered reasonable in view of current circumstances, and are the basis for the assessments of the carrying amount of assets and liabilities.

Actual results may differ substantially from these estimates if assumptions or circumstances change.

Significant items subject to such estimates and assumptions are the same as those described in the consolidated financial statements for the year ended August 31, 2016 (provisions and litigation, derivative financial instruments, post-employment defined benefit plan assets and liabilities, goodwill and other intangible assets, impairment of current and non-current assets, deferred taxes, and share-based payments).

6.2.5. Changes in principal currency exchange rates

The following table presents changes in exchange rates for the main currencies used to convert the financial statements of subsidiaries compared with the First Half of the prior fiscal year.

Currency	Closing rate as of February 28, 2017	Average rate for First-Half Fiscal 2017	Closing rate as of February 29, 2016	Average rate for First-Half Fiscal 2016
U.S. dollar (USD)	1.0597	1.0812	1.0888	1.0939
Pound sterling (GBP)	0.8531	0.8633	0.7858	0.7353
Brazilian real (BRL)	3.2810	3.4863	4.3394	4.2896

6.3 Segment information

The segment information presented below has been prepared based on internal management data as monitored by the Group Executive Committee, which is Sodexo's chief operating decision maker: On-site Services and Benefits and Rewards Services.

For On-site Services, since the beginning of Fiscal 2017, revenues and operating profit have been broken down by global client segment rather than geographies to reflect the gradual reorganization of the Group since September 2015. The Group has progressively adapted the way it conducts its On-site Services business, building an organization by global client segment to better support clients wherever they are, both locally and internationally, and by global function to ensure optimized and standardized processes in all service offerings and functional activities. These global client segments meet the definition of operating segments in IFRS 8.

Consequently, Sodexo's operating segments and groups of operating segments are now as follows:

- On-site Services:
  - Business & Administrations, which combines Corporate Services, Energy & Resources, Government & Agencies, Sports & Leisure and other non-segmented activities;
  - Health Care & Seniors;
  - Education, comprising Schools and Universities.
- Benefits and Rewards Services.

The operating segments that have been aggregated carry out similar operations – both in terms of type of services rendered and the processes and methods used to deliver the services – and have similar economic characteristics (notably in terms of the margins they generate).

Segment assets and liabilities are not presented as they are not included in the chief operating decision maker's measurement of segment performance.

The changes made to the Group's segment reporting did not give rise to any indication of goodwill impairment in the First Half of Fiscal 2017.

sodexo
QUALITY OF LIFE SERVICES

First-Half Fiscal 2017 *(in millions of euro)*	**On-site Services**	**Business & Administrations**	**Health Care & Seniors**	**Education**	**Benefits and Rewards Services**	**Eliminations and corporate expenses**	**Group total before exceptional expenses**	**Unallocated[2]**	**Group total**
Revenues	10,179	5,196	2,500	2,483	455		10,634		10,634
Inter-segment sales (Group)					2	(2)			
TOTAL	**10,179**	**5,196**	**2,500**	**2,483**	**457**	**(2)**	**10,634**		**10,634**
Operating profit[1]	625	217	157	251	149	(51)	723	(137)	586

[1] Including share of profit of companies consolidated by the equity method that directly contribute to the Group's business.

[2] Exceptional expenses related to the Adaptation and Simplification program.

First-Half Fiscal 2016 *(in millions of euro)*	**On-site Services**	**Business & Administrations**	**Health Care & Seniors**	**Education**	**Benefits and Rewards Services**	**Eliminations and corporate expenses**	**Group total before exceptional expenses**	**Unallocated[2]**	**Group total**
Revenues	10,206	5,322	2,419	2,465	390		10,596		10,596
Inter-segment sales (Group)					3	(3)			
TOTAL	**10,206**	**5,322**	**2,419**	**2,465**	**393**	**(3)**	**10,596**		**10,596**
Operating profit[1]	587	222	132	233	133	(62)	658	(37)	621

[1] Including share of profit of companies consolidated by the equity method that directly contribute to the Group's business.

[2] Exceptional expenses related to the Adaptation and Simplification program.

6.4 Notes to the interim consolidated financial statements

6.4.1. Consolidated statement of changes in shareholders' equity

As of February 28, 2017, the Group held 5,814,876 Sodexo shares with a carrying amount of 515 million euro, including (i) 2,910,690 shares (300 million euro) purchased during the First Half of Fiscal 2017 for cancellation under the share buy-back program decided by the Board of Directors on November 15, 2016, (ii) 2,810,686 shares (205 million euro) to cover the Group's obligations for stock option and free share plans for Group employees, and (iii) 93,500 shares (10 million euro) under the liquidity contract.

As of August 31, 2016, the Group held 3,074,444 Sodexo shares with a carrying amount of 217 million euro to cover its obligations for stock option and free share plans for Group employees.

During the First Half of Fiscal 2017, Sodexo shares with a carrying amount of 14 million euro were delivered to employees upon exercise of stock options (43 million euro worth of shares in the First Half of Fiscal 2016).

Since Fiscal 2013, shares held in registered form for at least four years and still held in that form when the dividend becomes payable, are entitled to a dividend premium equal to 10% of the dividend paid on the other shares. The number of shares eligible for this dividend premium may not exceed 0.5% of the share capital for any single shareholder.

Total dividends paid out in the First Half of Fiscal 2017, adjusted for treasury shares, amounted to 359 million euro, representing a dividend of 2.40 euro per share and, where applicable, a dividend premium of 0.24 euro per share.

6.4.2. Cash and cash equivalents

(in millions of euro)	February 28, 2017	August 31, 2016
Marketable securities	444	353
Cash[1]	1,254	1,022
Total cash and cash equivalents	**1,698**	**1,375**
Bank overdrafts	(36)	(28)
Net cash and cash equivalents	**1,662**	**1,347**

[1] Including 15 million euro allocated to the liquidity contract signed with an investment services provider, which complies with the Code of Conduct drawn up by the French financial markets association (*Association française des marchés financiers*) and approved by the French securities regulator (*Autorité des Marchés Financiers*), for the purpose of improving the liquidity of the shares and the regularity of the quotations.

Marketable securities break down as follows:

(in millions of euro)	February 28, 2017	August 31, 2016
Short-term notes	304	152
Term deposits	107	173
Mutual funds and other	33	28
Total marketable securities	**444**	**353**

6.4.3. Borrowings

(in millions of euro)	February 28, 2017 Current	February 28, 2017 Non-current	August 31, 2016 Current	August 31, 2016 Non-current
Bond issues (euro)	**13**	**1,687**	**9**	**1,097**
U.S. dollar	73	1,370	27	1,401
Euro	585			
Other currencies	5			
Bank borrowings[1]	**663**	**1,370**	**27**	**1,401**
Euro	3	6	3	6
Other currencies	2	2	1	1
Finance lease obligations	**5**	**8**	**4**	**7**
Euro	1	2	1	2
Other currencies	2	11	2	8
Other borrowings[2]	**3**	**13**	**3**	**10**
Total excluding derivative financial instruments	**684**	**3,078**	**43**	**2,515**
Net fair value of derivative financial instruments	(1)	(3)		(5)
Total including derivative financial instruments	**683**	**3,075**	**43**	**2,510**

(1) Including (i) two U.S. private placements (354 million U.S. dollars and 1,100 million U.S. dollars respectively as of February 28, 2017) and (ii) commercial paper issued by Sodexo SA (585 million euro and 50 million U.S. dollars as of February 28, 2017). The private placements are subject to financial covenants that the Group complied with as of February 28, 2017, August 31, 2016 and February 29, 2016.

(2) Including 9 million euro as of February 28, 2017 corresponding to liabilities recognized in connection with commitments to repurchase the non-controlling interests in certain subsidiaries (8 million euro as of August 31, 2016).

Changes in borrowings during the First Half of Fiscal 2017 were as follows:

(in millions of euro)	August 31, 2016	Increases	Repayments	Discounting effects and other	Currency translation adjustment	Changes in scope of consolidation	February 28, 2017
Bond issues	1,106	591		3			1,700
Bank borrowings	1,428	637	(97)	(2)	67		2,033
Finance lease obligations	11	3	(1)				13
Other borrowings	13	3	(2)		1	1	16
Total excluding derivative financial instruments	**2,558**	**1,234**	**(100)**	**1**	**68**	**1**	**3,762**
Net fair value of derivative financial instruments	(5)		2	(1)			(4)
Total including derivative financial instruments[1]	**2,553**	**1,234**	**(98)**		**68**	**1**	**3,758**

(1) As of February 28, 2017, the fair values of bond issues and bank borrowings were 1,804 million euro and 2,050 million euro respectively (1,247 million euro and 1,527 million euro respectively as of August 31, 2016). There were no transfers between levels in the fair value hierarchy in the First Half of Fiscal 2017 compared with those presented in note 4.21 to the consolidated financial statements for the fiscal year ended August 31, 2016.

On September 29, 2016, Sodexo SA redeemed, in advance of maturity, 108 million U.S. dollars' worth of its March 2011 U.S. private placement, and on October 14, 2016, it issued 600 million euro worth of bonds maturing in April 2027.

As of February 28, 2017, approximately 83% of the Group's borrowings were at fixed rates of interest and the average cost of borrowings at that date was 2.1%. As of August 31, 2016, nearly 100% of the Group's borrowings were at fixed rates of interest and the average cost of borrowings at that date was 3.2%.

July 2011 multi-currency confirmed credit facility

As of February 28, 2017 and August 31, 2016, the Group had a multi-currency confirmed credit facility amounting to 531 million euro plus 709 million U.S. dollars, expiring in July 2021. No amounts had been drawn down on this facility as of either February 28, 2017 or August 31, 2016.

6.4.4. Operating expenses by nature

(in millions of euro)	First-Half Fiscal 2017[1]	First-Half Fiscal 2016[1]
Depreciation, amortization and impairment losses	(158)	(171)
Employee costs		
- Wages and salaries	(3,942)	(3,883)
- Other employee costs[2]	(1,174)	(1,138)
Purchases of consumables and change in inventory	(3,033)	(3,099)
Other operating expenses[3]	(1,743)	(1,687)
Total	**(10,050)**	**(9,978)**

[1] Including 137 million euro in expenses recorded in the First Half of Fiscal 2017 (37 million euro in the First Half of Fiscal 2016) in connection with the Adaptation and Simplification program.

[2] Primarily payroll taxes, but also including costs associated with defined benefit plans, defined contribution plans, stock options and free shares.

[3] Other operating expenses mainly include operating lease expenses (165 million euro for the First Half of Fiscal 2017 and 168 million euro for the First Half of Fiscal 2016), professional fees, other purchases used for operations, sub-contracting costs and travel expenses.

6.4.5. Financial income and expense

(in millions of euro)	First-Half Fiscal 2017	First-Half Fiscal 2016
Gross borrowing cost[1]	(48)	(54)
Interest income from short-term bank deposits and equivalent	7	9
Net borrowing cost	**(41)**	**(45)**
Interest income from loans and receivables at amortized cost	1	2
Other financial income	4	6
Other financial expense[2]	(15)	(2)
Net foreign exchange gains/(losses)	2	
Net interest cost on net defined benefit plan obligation	(3)	(3)
Monetary adjustment for hyperinflation	(3)	(5)
Change in fair value of derivative financial instruments not qualified for hedge accounting		1
Other	(1)	(3)
Net financial expense	**(56)**	**(49)**
Of which financial income	**14**	**18**
Of which financial expense	**(70)**	**(67)**

[1] Gross borrowing cost represents interest expense on financial liabilities at amortized cost and interest expense on hedging instruments.

[2] Including, for the First Half of Fiscal 2017, 11 million euro related to the early redemption of 108 million U.S. dollars' worth of a U.S. private placement (see note 6.4.3, "Borrowings").

6.4.6. Earnings per share

The table below presents the calculation of basic and diluted earnings per share:

	First-Half Fiscal 2017	First-Half Fiscal 2016
Profit for the period attributable to equity holders of the parent (in millions of euro)	**348**	**359**
Basic weighted average number of shares	149,936,978	152,025,146
Basic earnings per share (in euro)[1]	**2.32**	**2.36**
Average dilutive effect of stock option and free share plans	2,241,223	2,116,069
Diluted weighted average number of shares	152,178,201	154,141,215
Diluted earnings per share (in euro)[1]	**2.29**	**2.33**

[1] Basic earnings per share and diluted earnings per share do not reflect the effect of the dividend premium payable on qualifying registered shares.

All of the stock option plans and free share plans have a dilutive impact in the First Half of both Fiscal 2017 and Fiscal 2016.

6.4.7. Related party information

Non-consolidated companies

Transactions with non-consolidated companies are similar in nature to those described in note 4.25, “Related parties” in the consolidated financial statements for the fiscal year ended August 31, 2016.

Principal shareholder

As of February 28, 2017, Bellon SA held 39.61% of the capital of Sodexo and 56.04% of the exercisable voting rights.

During the First Half of Fiscal 2017, Sodexo paid fees of 1.6 million euro (4 million euro for the First Half of Fiscal 2016) under the assistance and advisory services contract with Bellon SA.

Bellon SA received dividends of 146.3 million euro on its Sodexo SA shares in February 2017.

6.4.8. Other disclosures

Share grants

On September 30, 2016 and November 30, 2016, the Board of Directors decided to grant 11,950 and 10,000 free shares, respectively, to certain Group employees. The shares granted under these plans will only vest if the beneficiaries are still working for the Group on the vesting date, and some of the share grants are subject to a performance condition.

Members of the Board of Directors and the Executive Committee, Chief Executive Officer

There were no significant changes from the fiscal year ended August 31, 2016 in relation to the nature of compensation, advances and commitments for pensions or similar benefits granted to members of Sodexo’s Board of Directors or Executive Committee, or to the Chief Executive Officer.

Tax dispute

During the First Half of Fiscal 2017, Sodexo Pass Do Brasil received a tax reassessment notice from the Brazilian tax authorities for fiscal years 2010, 2011 and 2012 relating to the deductibility for tax purposes of the amortization of goodwill recognized on the purchase of VR in March 2008. The amount of the reassessment totals 137 million euro (breaking down as 44 million euro in principal and 93 million euro in penalties and late payment interest). Sodexo Pass Do Brasil is firmly disputing this reassessment, which the Brazilian tax authorities originally envisaged during a previous tax audit covering fiscal years 2008 and 2009 but then abandoned. The company considers that the goodwill tax amortization concerned was valid, both in terms of its underlying reasons and how it was recorded. Therefore the Company considers that there is a strong probability of winning the dispute with the tax authorities, and this has been confirmed by its tax advisors. As a result, no provision was recorded for this dispute in the consolidated statement of financial position as of February 28, 2017. Moreover, the tax saving generated by the tax amortization has been offset in the Group's consolidated financial statements by a deferred tax charge in the same amount for each of the years concerned, in accordance with IFRS. As of February 28, 2017, the balance of this deferred tax liability was 92 million euro.

6.4.9. Subsequent events

In March 2017, Sodexo acquired Xpenditure (Belgium), a digital expense management system and iAlbatros (Poland), a digital Business travel reservations platform as well as Prestige Nursing Ltd (United Kingdom). The Group also took a 45% minority stake in Mentor Technical Group (Puerto Rico).

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STATUTORY AUDITORS' REPORT

Statistical Auditors’ review report on the interim financial information

For the six months ended February 28, 2017

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

SODEXO
255 Quai de la Bataille de Stalingrad
92866 Issy-les-Moulineaux Cedex 9
France

To the Shareholders,

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

- the review of the accompanying condensed interim consolidated financial statements of Sodexo for the six months ended February 28, 2017;
- the verification of the information contained in the interim management report.

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

I - Conclusion on the financial statements

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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34 – "Interim Financial Reporting", as adopted by the European Union.

Without qualifying our conclusion, we draw your attention to note 6.3 of the condensed interim consolidated financial statements, which describes the impact on reported segment information of the new organization of the On-site Services business segment.

II - Specific verification

We have also verified the information given in the interim management report on the condensed interim consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and its consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Paris La Défense, April 12, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	KPMG Audit *Department of KPMG S.A.*
Jean-Christophe Georghiou	Hervé Chopin

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STATEMENT OF RESPONSIBILITY FOR THE INTERIM FINANCIAL REPORT

sodexo
QUALITY OF LIFE SERVICES

GROUP CHIEF EXECUTIVE OFFICER

RESPONSIBILITY FOR THE HALF YEAR FINANCIAL REPORT

Issy-les-Moulineaux, April 13th, 2017

I hereby affirm that to the best of my knowledge the condensed financial statements presented for the half-year just ended have been prepared in accordance with the applicable accounting standards and provide a fair view of the assets, financial position, and profits of Sodexo, and of that of all of the companies included within the consolidation scope, and that the half year activity review included in the attached report presents a true view of the significant events which took place during the first six months of the full year period and of their impact on the half year financial statements; the principle transactions between related parties; and describes the main risks and uncertainties for the remaining six months of the year.

Michel Landel
Chief Executive Officer

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