

4.15.1.1 500 MILLION EURO BOND ISSUE

On March 30, 2007, Sodexo issued bonds for 500 million euro, redeemable at par on March 30, 2014. The bonds bear interest at an annual rate of 4.50%, payable annually on March 28.

4.15.1.2 880 MILLION EURO BOND ISSUE

On January 30, 2009, Sodexo SA issued new bonds for 650 million euro, redeemable on January 30, 2015. The bonds bear interest at an annual rate of 6.25%. On June 24, 2009, additional bonds for 230 million euro were issued bringing the face value to 880 million euro. After the additional bonds, these bonds bear an average effective interest rate of 5.97%.

Neither of these two bond issues is subject to financial covenants.

4.15.2 Other borrowings from financial institutions**4.15.2.1 JULY 2011 MULTI-CURRENCY CONFIRMED CREDIT FACILITY**

On July 18, 2011, Sodexo SA contracted a multicurrency credit facility for a maximum of 600 million euro plus 800 million U.S. dollars. This facility originally matured on July 18, 2016, this maturity being extendable on application by Sodexo SA and subject to lenders' consent until July 2017, and then until July 2018. In July 2013, all of the lenders agreed to extend the facility's maturity to July 18, 2018. Amounts drawn on this facility carry floating interest indexed on the LIBOR and EURIBOR rates. This credit facility is not subject to any covenants.

As of August 31, 2013, the euro tranche had been utilized in the amount of 250 million euro (compared to 235 million euro as of August 31, 2012).

4.15.2.2 LOANS FOR 500 MILLION U.S. DOLLARS AND 600 MILLION U.S. DOLLARS

On September 29, 2008, Sodexo SA borrowed 500 million U.S. dollars at a fixed rate of interest from U.S. investors.

This financing was structured in three tranches:

- 140 million U.S. dollars at a fixed rate of 5.69% and redeemable in September 2013;
- 290 million U.S. dollars at a fixed rate of 5.99% and redeemable in September 2015;

- 70 million U.S. dollars at a fixed rate of 6.43% and redeemable in September 2018.

On March 29, 2011, Sodexo SA borrowed 600 million U.S. dollars at a fixed rate of interest in a private placement with U.S. investors.

This financing is structured in three tranches:

- 250 million U.S. dollars at a fixed rate of 4.24% and redeemable in March 2018;
- 225 million U.S. dollars at a fixed rate of 4.85% and redeemable in March 2021;
- 125 million U.S. dollars at a fixed rate of 4.95% and redeemable in March 2023.

These two loans are subject to two financial covenants that are calculated by reference to the consolidated financial statements of the Group:

- net debt (excluding restricted cash) must not exceed 3.5 times EBITDA (operating profit plus amortization and depreciation) for the past 12 months;
- net assets adjusted for cumulative foreign exchange translation gains or losses since August 31, 2007 must be not less than 1.3 billion euro.

If the covenants are not met, the lenders may, with a qualified majority, require early reimbursement of these borrowings.

The Group was compliant with these covenants as of August 31, 2013, February 28, 2013, and August 31, 2012.

4.15.2.3 BORROWINGS IN BRAZILIAN REAL

In order to finance its acquisition of the VR group in Brazil in 2008, Sodexo SA contracted two fixed rate loans in Brazilian real for an amount of 318 million real, to be reimbursed over five years, with a final maturity in April 2013. Following the reimbursement of 106 million reals (39 million euro) made during the period, these loans had been fully repaid as of August 31, 2013.

4.15.2.4 INTEREST RATE

In order to comply with the Group's financing policy, substantially all borrowings are at fixed rates of interest. Where acquisition financing is arranged in a currency other than that of the acquired entity, the debt is hedged by the use of currency swaps.