

Monaco, August 26, 2015

***Subject: Ordinary General Meeting on September 18, 2015  
Supplement to the Notice of Meeting***

Dear Shareholders, Ladies and Gentlemen,

In a mailing pack sent out on last August 12, I invited you to a General Meeting of Société des Bains de Mer which will be held on Friday 18 September 2015, at 9.30am in the Salon Eiffel of the Hermitage Hotel in Monaco.

Among the various documents sent to you on that occasion was a 'Notice of Meeting', which set out the agenda for the meeting, the wording of the resolutions which will be submitted to you for approval, and practical information on how to participate in this meeting.

I am writing to you today to inform you that, at its meeting on August 21, 2015, the Board of Directors decided to add two new items to the agenda:

- The renewal of a Director's term of office
- The appointment of Directors

These items have been added following the transfer by the Gouvernement Princier<sup>1</sup>, the majority shareholder in Société des Bains de Mer, of some of its securities, amounting to approximately 10% of the company's share capital, in almost identical proportions to two groups of international standing:

- the LVMH Moët Hennessy – Louis Vuitton Group, world leader in the luxury goods sector,
- and the Galaxy Entertainment Group (G.E.G.) in Macau.

Each of these shareholders having the right to propose the appointment of a director to the General Meeting, this supplement to the Notice of Meeting sets out the agenda with the two additional items, as well as the resolutions relating to the composition of Société des Bains de Mer's Board of Directors. The seven other previously published resolutions remain unchanged.

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<sup>1</sup> The Prince's Government (of Monaco). Translator

The Ordinary General Meeting on September 18, 2015 will take place in order to consider the agenda, the new items included:

FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015:

1. Report of the Board of Directors
2. Report of the Chairman of the Board of Directors
3. Report of the Statutory Auditors and the Contractual Auditor
4. Approval of the Parent company financial statements
5. Approval of the Group consolidated financial statements
6. Discharge of all Directors from any liabilities with respect to the performance of their mandate
7. Appropriation of earnings for the year ended March 31, 2015
8. Renewal of a Director's term of office
9. Appointment of Directors
10. Real estate issues
11. Authorization granted by the General Meeting to the members of the Board of Directors to deal with the Company personally or in an official capacity pursuant to Article 23 of the Order of March 5, 1895 and Article 20 of the Bylaws.

AUTHORISATION FOR THE BUYBACK OF THE COMPANY SHARES

ANY OTHER BUSINESS

You will find below the Board of Directors' supplementary Report on these draft resolutions as well as the wording of the corresponding (8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup>) resolutions, which supplement the seven previously published resolutions.

**THE BOARD OF DIRECTORS' SUPPLEMENTARY REPORT**

The purpose of this report is to introduce to you the Board Member the renewal of whose term of office has been proposed, and the candidates put forward by the two new shareholders mentioned above as prospective members of your Board of Directors.

➤ ***Renewal of Mr Pierre Svara's term of office as a Director (8<sup>th</sup> resolution)***

Mr Pierre Svara's term of office as a Director expires at the close of this Shareholders' General Meeting.

The **eighth resolution** is to propose that you renew his term for a period which would expire at the close of the Shareholders' Ordinary General Meeting to be held to approve the financial statements for the financial year 2020/2021, in accordance with the provisions of Article 12 of the Bylaws.

Mr Pierre Svava was appointed as a member of the Company's Board of Directors by the General Meeting held in July 2009.

He also holds various appointments and positions within the Group's affiliates:

- Director of Société Financière et d'Encaissement (S.F.E.);
- Member of the Board of Directors' Appointments and Remuneration Committee.

➤ ***Appointment of Ufipar SAS as a Director (9<sup>th</sup> resolution)***

The **ninth resolution** is to propose that Ufipar SAS, a wholly owned affiliate of the LVMH Moët Hennessy – Louis Vuitton Group, be appointed as a Director for a term expiring at the close of the Shareholders' Ordinary General Meeting to be held to approve the financial statements for the financial year 2020/2021, in accordance with the provisions of Article 12 of the Bylaws. The permanent representative of Ufipar SAS will be Mr Nicolas Bazire.

Mr Nicolas Bazire is a graduate of the Ecole navale (1978) (French Naval Academy), the Institut d'études politiques (1984) (Paris Institute of Political Science), a former student at the Ecole nationale d'administration and Magistrate for the French Audit Commission. From 1993 to 1995, he was Prime Minister Edouard Balladur's Cabinet Director, before becoming a managing partner of Rothschild & Cie Banque.

In 1999, he was appointed Chief Executive Officer and Managing Director of the Arnault Group and joined the Board of the LVMH Group, where he is also a member of its Executive Committee.

The other appointments and positions he currently holds are:

- Member of the Board of Directors at the Carrefour, Suez Environnement and Atos groups;
- Member of the Supervisory Board of Rothschild & Cie Banque.

He is also Commander (naval reserve), Officer of the National Order of Merit and Chevalier of the Legion of Honor.

➤ ***Appointment of Mr Michael Mecca as a Director (10<sup>th</sup> resolution)***

The **tenth resolution** is to propose that Mr Michael Mecca be appointed as a Director for a term expiring at the close of the Shareholders' Ordinary General Meeting to be held to approve the financial statements for the financial year 2020/2021, in accordance with Article 12 of the Bylaws.

Mr Michael Mecca has a degree in international affairs from the University of Oklahoma in the United States. He has occupied senior management positions in several large and highly regarded groups running casinos and hotel complexes, such as Station Casinos Inc. in Las Vegas, Mandalay Resort Group in Las Vegas, Caesars World, Inc. in Las Vegas and Crown Ltd. in Melbourne, Australia. Before joining the Galaxy Entertainment Group (GEG), he was Chairman and Chief Executive Officer of Planet Hollywood Resort & Casino in Las Vegas.

## **WORDING OF THE ADDITIONAL RESOLUTIONS SUBMITTED TO THE ORDINARY GENERAL MEETING**

The following resolutions (the 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> resolutions) supplement the seven resolutions previously published.

At its meeting on August 21, 2015, the Board of Directors decided to add the following resolutions to the resolutions submitted to the Ordinary General Meeting, the other previously published resolutions being unchanged:

### **EIGHTH RESOLUTION**

#### ***Renewal of Mr Pierre Svava's term of office as a Director***

The Shareholders' General Meeting renews Mr Pierre Svava's term of office as a Director.

Mr Pierre Svava's term of office will expire at the Shareholders' Ordinary General Meeting to be held to approve the financial statements for the financial year 2020/2021, in accordance with Article 12 of the Bylaws.

### **NINTH RESOLUTION**

#### ***Appointment of Ufipar SAS as a Director***

The Shareholders' General Meeting appoints Ufipar SAS as a Director.

Ufipar SAS' term of office will expire at the Shareholders' Ordinary General Meeting to be held to approve the financial statements for the financial year 2020/2021, in accordance with Article 12 of the Bylaws.

### **TENTH RESOLUTION**

#### ***Appointment of Mr Michael Mecca as a Director***

The Shareholders' General Meeting appoints Mr Michael Mecca as a Director.

Mr Michael Mecca's term of office will expire at the Shareholders' Ordinary General Meeting to be held to approve the financial statements for the financial year 2020/2021, in accordance with the provisions of Article 12 of the Bylaws.

## ***SPECIFIC VOTING PROCEDURES FOR THESE THREE NEW RESOLUTIONS***

1<sup>st</sup> scenario – In the event that you have opted for a postal vote, by shading in box B on the proxy form sent to you on 12 August last, **it is important to note that the voting procedures for these three new resolutions are different from those for the other seven previously published resolutions.**

### *Voting procedures for the new resolutions*

If you wish to vote by post on the three new resolutions which were drafted after the initial notice of meeting was sent out, you must indicate this in the lower insert in box B on the proxy form (Insert "If

amendments or new resolutions are proposed during the General Meeting (GM) (or Article 40”), and your wishes will be taken into account. The options available to you are as follows:

- I appoint the Chairman of the General Meeting to vote on my behalf;
- I abstain (An abstention equates to a vote against);
- I appoint Mr, Mrs or Miss, Corporate Name, as proxy to vote on my behalf. Please note that the proxy appointed in this way must be a shareholder of the company.

For illustrative purposes the insert of Box B where you express your choice is reproduced below:

Si des amendements ou des résolutions nouvelles étaient présentés en AG (ou Art. 40) / In case amendments or new resolutions are proposed during the GM (or Art. 40)	
- 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.....	<input type="checkbox"/>
- Je m'abstiens (l'abstention équivaut à un vote contre). / I abstain from voting (is equivalent to vote NO).....	<input type="checkbox"/>
- Je donne procuration à M., Mme ou Mlle, Raison Sociale pour voter en mon nom ..... / I appoint Mr, Mrs or Miss, Corporate Name to vote on my behalf .....	<input type="checkbox"/>

You express your choice by shading in the appropriate box on the form, and it then applies to the three new resolutions which have been put forward, as well as any other new resolutions which may be proposed in accordance with the provisions of Article 40 of the Bylaws, should the need arise.

In respect of these three specific resolutions, the Chairman will vote YES.

In consequence, please note that no account will be taken of the way in which boxes 8, 9 and 10 on the upper insert of box B have been filled in.

*Voting procedures for the resolutions previously sent out to you (1 to 7)*

Once you have chosen a postal vote using the proxy form by shading in box B, your instructions on how you wish to vote in relation to resolutions 1 to 7 will be taken into account according to the way in which you have filled in boxes 1 to 7 of the upper insert of box B.

2<sup>nd</sup> scenario – In the event that you have chosen to attend the meeting, (box A), or to appoint the Chairman of the general meeting (box C) or finally to be represented at the general meeting by a proxy of your choice (box D), by shading in the appropriate box on the form sent to you on 12 August last, all the resolutions, including these new resolutions, will be voted upon in the same way.

Should you require any further information, please contact Société Générale, Monday to Friday from 8.30am to 6pm on 0 825 315 315 (call cost from France: 0.125 euro (excl. VAT) per minute or on +33 (0)251 855 982 (the cost of calling from abroad depends on the local operator).

I would like to thank you in advance for carefully considering these resolutions.

Yours faithfully,

Jean-Luc Biamonti  
Chairman and Chief Executive Officer