

Sodexo announces revenue growth of 5.6% for the first quarter of Fiscal 2009 with organic growth of 3.2%

- **Food and Facilities Management services, + 2.7%** : Sodexo benefits from global leadership in Health Care and Education and its international network
- **Service Vouchers and Cards, + 21.7%** : continued strong dynamic growth

Paris, January 7, 2009 - SODEXO (NYSE Euronext Paris FR0000121220 - SW OTC: SDXAY), a leading provider of Food and Facilities Management services, today announced consolidated revenues for the first quarter of Fiscal 2009, ended November 30, 2008.

Revenue by activity and geographic area

| (in millions of euro) | 1st Quarter Fiscal 2008 | 1st Quarter Fiscal 2009 | Organic growth ⁽¹⁾ | Currency impact ⁽²⁾ | Acquisitions | Total change |
|---|-------------------------|-------------------------|-------------------------------|--------------------------------|--------------|----------------|
| Food and Facilities Management Services: | | | | | | |
| • North America | 1,486 | 1,650 | + 5.6% | + 4.8% | + 0.6% | + 11.0% |
| • Continental Europe | 1,240 | 1,320 | + 3.5% | - 0.4% | + 3.4% | + 6.5% |
| • UK and Ireland | 500 | 339 | - 23.2% | - 9.0% | - | - 32.2% |
| • Rest of the World | 416 | 489 | + 20.6% | - 3.2% | - | + 17.4% |
| Total | 3,642 | 3,798 | + 2.7% | + 0.2% | + 1.4% | + 4.3% |
| Service Vouchers and Cards | 123 | 181 | + 21.7% | - 1.9% | + 27.4% | + 47.2% |
| Intra-group eliminations | - 2 | - 4 | | | | |
| TOTAL | 3,763 | 3,975 | + 3.2% | + 0.2% | + 2.2% | + 5.6% |

1) Organic growth: revenue growth, at constant scope of consolidation and exchange rates.

2) It should be noted that, contrary to exporting companies, the revenues and expenses of Sodexo subsidiaries are denominated in the same currency. Consequently, foreign exchange variations do not have an operational risk. The average exchange rate for the USD/euro for the first quarter was 1.354.

Commenting on these figures, **Sodexo CEO Michel Landel**, said: "Our performance for the first quarter is in line with our forecasts. It is likely that the effects of the economic slowdown will be felt most at the beginning of 2009. During this financial crisis, which ultimately could lead to increased demand for outsourcing, Sodexo has real competitive advantages including our integrated service offerings in all client segments throughout the world, our leadership in Health Care, Seniors and Education, our global network and the strength of our financial structure. We therefore remain confident in our ability to achieve the objectives we set last November."

Organic growth analysis: Food and Facilities Management services

- North America, + 5.6%: continued strong growth in Health Care, Seniors and Education, but the impact of the economic crisis begins to weigh on Corporate Services
- Continental Europe, + 3.5%: contrasted performances between countries and between segments; first signs of slowdown in Corporate Services and in Sports and Leisure
- United Kingdom and Ireland, - 23.2%: an integrated solutions offer in Corporate Services, and Health Care and Seniors contributed to solid growth, but an unfavorable comparison from the effect of the Rugby World Cup hospitality contract in Fiscal 2008. Excluding the impact of Rugby World Cup, growth would have been + 9.1%.
- Rest of the World, + 20.6%: strong acceleration in growth in Remote Sites, Latin America and Australia

In **North America**, growth remained solid (+ 5.6%) despite an increasingly difficult economic environment.

Corporate Services' decline (- 2.3%) during the first quarter resulted from three main factors: a reduction in discretionary spending by corporate clients (corporate hospitality such as functions, etc.), fewer employees among certain clients and the scheduled close at end of project life of contracts in the energy sector in Canada. New contract wins included Blue Cross & Blue Shield (Tennessee, Foodservices), Procter & Gamble Paper Products Co., Ltd. (5 sites, Facilities Management) and La Sarcelle (Canada, Remote Sites).

In Health Care and Seniors, Sodexo again recorded excellent performance with organic growth of 8.4%, a result in particular of strong comparable unit growth (food cost inflation pass through and an expanded service offering) and the ramp up effect of an important Facilities Management contract at Abbotsford (British Columbia) in Canada. Recent contract wins include John Peter Smith Hospital (Texas), the University of Mississippi Medical Center and Hurley Medical Center (Michigan).

Education (+ 7.5%) also experienced very satisfactory comparable unit growth on university campuses and schools, a result of an increased student population.

Sodexo won several awards in North America, including:

- Corporation of the Year by the Hispanic College Fund for long-standing support and commitment in furthering the education of Hispanic youth;
- The Workforce Management Optimas Awards, recognizing Sodexo's understanding of the importance of talent in business performance and its innovative recruiting solutions.

In **Continental Europe**, growth of 3.5% reflected contrasted performance between countries and between segments.

Organic growth in Corporate Services slowed compared to Fiscal 2008 but remained positive (+1.3%), with wide disparities between countries. Major influences were:

- the ramp up effect of the KLM contract that had contributed to organic growth in the prior fiscal year;
- slower activity in Sports and Leisure in France as the number of foreign tourists declined;

- more recently, initial signs of a slowing economy, particularly in France, Italy and Central Europe, with a declining number of consumers on certain industrial sites and reduced discretionary spending by corporate clients.

New contracts won by Sodexo include Sanofi-Aventis (R&D) in France and the SVT public television company in Sweden.

In Health Care and Seniors, revenues progressed satisfactorily with growth of 7.4%, particularly in France, Spain and Belgium all of whom had good comparable unit growth. Recent contract wins include Azienda Ospedaliera G. Salvini in Italy.

Growth in Education (+ 5.5%) was driven both by solid performance on existing sites in France and Spain and the impact of contract wins in the prior fiscal year such as the City of Rome in Italy. New contract wins include Universida Deusto in Bilbao, Spain, and the Comune di Garbagnate Milanese schools in Italy.

Recognitions earned by Sodexo teams in Continental Europe during the first quarter included:

- In the Netherlands, Sodexo was ranked 4th in the Dutch “Diversity Top 50,” while in Belgium, Sodexo received the national “Equality-Diversity” designation, awarded to only 12 businesses and institutions for active efforts to combat discrimination.
- In Germany, the Minister for Families recognized Sodexo’s support for the Bundesverband Tafel e.V. food bank, through the company’s global STOP Hunger program.
- In France, Sodexo signed the government’s National Commitment for employing suburban youth, part of its “Neighborhood Hope” initiative, to fight against discrimination based on place of residence.

In the **United Kingdom and Ireland**, the first quarter of Fiscal 2008 included the contribution of the Rugby World Cup hospitality contract (148 million euro in revenue). Revenue growth for the first quarter of Fiscal 2009 therefore declined by 23%. Excluding the Rugby World Cup, organic growth would have been 9.1%.

Corporate Services shows an apparent decline of 31.6%, however, excluding the impact from the Rugby World Cup contract, the segment had solid growth with the opening of integrated solutions contracts in Facilities Management such as GlaxoSmithKline and AstraZeneca.

Growth in Health Care and Seniors remained strong (+ 15.9%), reflecting the mobilization impact from various PPP (Public Private Partnership) contracts for Facilities Management services such as at North Staffordshire Hospital and Manchester Royal Infirmary.

Organic growth in Education was + 2.7%, a result of comparable unit growth on existing sites.

Recent recognitions received in the UK and Ireland included:

- the Corporate Citizenship award at the annual Springboard Awards for Excellence ceremony;
- the Irish Chamber of Commerce honored Sodexo for its role in promoting a healthy and balanced diet.

In the **Rest of the World** (+ 20.6%), growth accelerated in Food and Facilities Management services in all geographic areas and in Remote Sites.

Particularly significant growth during the first quarter occurred, a result of:

- the ramp up effect of activity on certain mining sites such as Los Pelambres, Esperanza and Escondida in Chile and Rio Tinto Pilbara and Woodside in Australia ;
- the application of contractual clauses reflecting food price inflation, particularly in Latin America and the Middle East ;
- strong new contract wins in both Foodservices and Facilities Management in all geographies , including China and India. New contracts won by Sodexo included the engineering company Punj Lloyd (United Arab Emirates), the geophysics company Argas and the seismic exploration and field development company WesternGeco in Saudi Arabia, the food manufacturer Sadia and Hospital Samaritano (Brazil) and the chemical company Molymet (Chile).

Sodexo teams earned the following recognitions:

- in the area of workplace safety, Sodexo was recognized by its client, Chiyoda, for exceeding 5 million hours without an accident on the Russian island of Sakhalin, and by its client, PDO (Petroleum Development Oman), for operating two years, or 6.7 million hours, without an accident in the Sultanate of Oman;
- in Australia, Sodexo was recognized for the second consecutive year by the Australian government's Equal Opportunity for Women in the Workplace Agency for respecting established diversity standards.

Service Vouchers and Cards activity

Issue volume reached 3.2 billion euro in the first quarter of Fiscal 2009. This strong growth results from:

- acquisitions, particularly Grupo VR's Service Vouchers and Cards business in Brazil in March 2008;
- excellent development over the past twelve months, including the start-up in January 2008 of the Onem's (Bureau of Labor) innovative vouchers for services contract in Belgium.

Impressive organic revenue growth of 21.7% reflected, primarily:

- an increase in the number of beneficiaries in Central Europe and Latin America, a result of innovative offerings proposed by Sodexo's sales teams;
- and, to a lesser extent, the impact of an increase in voucher face values in certain countries such as Venezuela, Brazil and Romania.

Recent contract wins include Schneider Electric in France and Pekao Bank in Poland.

Sodexo Service Vouchers and Cards teams were recognized throughout the world. In Luxembourg, Sodexo was distinguished with the Best Incentive and Motivation Solutions award by HROne, a professional Human Resources association.

Major events during the quarter

- Financial situation

In late September 2008 Sodexo finalized a United States Private Placement of USD 500 million. The proceeds from this transaction, together with the Group's existing cash and cash equivalents and available committed credit facilities, enabled Sodexo:

- to secure the refinancing of a large portion of its bonds maturing in March 2009, and
- to extend the Group's debt maturity profile.

Net debt (borrowings, net of the operating cash position) as of August 31, 2008 was 465 million euro, representing only 21% of consolidated equity.

- Acquisitions

On September 30, 2008, the Group completed the acquisition, for consideration of 156 million euro, of Score Group, France's fourth largest Foodservices company. On December 12, 2008, Sodexo completed the acquisition for consideration of 172 million euro of Zehnacker Group, a leading independent provider of Facilities Management services to Germany's health care industry.

Adjusted for these recent acquisitions cited above, the Group's gearing ratio (net debt as a percentage of consolidated equity) as of August 31, 2008, on a pro forma basis, would only have reached 40%.

Fiscal 2009 objectives

Confirmation of Fiscal 2009 objectives

The Group confirms the Fiscal 2009 objectives set in November 2008:

- Organic revenue growth within the range of 2 to 5% together with additional revenue growth of around 2% from recent acquisitions (VR, Score Group and Zehnacker). The objective for consolidated revenue growth for Fiscal 2009, at constant currency exchange rates, is between 4 and 7%.
- Operating profit of between 730 and 760 million euro at constant currency exchange rates.

Conference call and Internet broadcast

SODEXO will hold a conference call today at 8:30 a.m. (Paris time), to comment on first quarter revenue for Fiscal 2009. Persons wishing to participate are invited to dial + 33 1 72 28 01 50. The press release and the presentation will be available on the Group website: www.sodexo.com under the "latest news" section beginning at 7:00 a.m. A recording of the conference will be available by dialing + 33 1 72 28 01 49, followed by the code 238456 #.

In addition, the conference call will be broadcast on the Internet (webcast) with simultaneous audio (available on www.sodexo.com) and conserved in the archives for twelve months.

Availability of information

Sodexo's quarterly financial information is available on the Sodexo website: www.sodexo.com

Financial communications calendar

- ◆ **General Shareholders' Meeting: January 19, 2009**
- ◆ **First-half Fiscal 2009 revenue and results**

Thursday, April 23, 2009, before the opening of the stock exchange.

This date is provided as an indication and remains subject to change.

◆ **About SODEXO**

Sodexo, founded in 1966 by Pierre Bellon, is a world leader in Food and Facilities Management services, with more than 355,000 employees on 30,600 sites in 80 countries. For Fiscal 2008, which closed August 31, 2008, SODEXO had revenues of 13.6 billion euro. Listed on Euronext Paris, the Group has a current market capitalization of 6.4 billion euro.

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 we assume no obligation to update them. You are cautioned not to place undue reliance on our forward looking statements.

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Appendix 1 : Food and Facilities Management services revenue by segment

Consolidated Group

| <i>In millions of euro</i> | <i>3 Months Fiscal 2009</i> | <i>3 Months Fiscal 2008</i> | Organic growth |
|----------------------------|---------------------------------|---------------------------------|---------------------------|
| · Corporate Services | 1 781 | 1 825 | -2.6% |
| · Health Care | 937 | 837 | 10.2% |
| · Education | 1 080 | 980 | 7.1% |
| TOTAL | 3 798 | 3 642 | 2.7% |

North America

| <i>In millions of euro</i> | <i>3 Months Fiscal 2009</i> | <i>3 Months Fiscal 2008</i> | Organic growth |
|----------------------------|---------------------------------|---------------------------------|---------------------------|
| · Corporate Services | 343 | 330 | -2.3% |
| · Health Care | 550 | 485 | 8.4% |
| · Education | 757 | 671 | 7.5% |
| TOTAL | 1 650 | 1 486 | 5.6% |

Continental Europe

| <i>In millions of euro</i> | <i>3 Months Fiscal 2009</i> | <i>3 Months Fiscal 2008</i> | Organic growth |
|----------------------------|---------------------------------|---------------------------------|---------------------------|
| · Corporate Services | 753 | 719 | 1.3% |
| · Health Care | 309 | 279 | 7.4% |
| · Education | 258 | 242 | 5.5% |
| TOTAL | 1 320 | 1 240 | 3.5% |

United Kingdom and Ireland

| <i>In millions of euro</i> | <i>3 Months Fiscal 2009</i> | <i>3 Months Fiscal 2008</i> | Organic growth |
|----------------------------|---------------------------------|---------------------------------|---------------------------|
| · Corporate Services | 242 | 399 | -31.6% |
| · Health Care | 58 | 58 | 15.9% |
| · Education | 39 | 43 | 2.7% |
| TOTAL | 339 | 500 | -23.2% |

Rest of the World

| <i>In millions of euro</i> | <i>3 Months Fiscal 2009</i> | <i>3 Months Fiscal 2008</i> | Organic growth |
|----------------------------|---------------------------------|---------------------------------|---------------------------|
| · Corporate Services | 443 | 377 | 20.4% |
| · Health Care | 20 | 16 | 25.6% |
| · Education | 26 | 23 | 20.4% |
| TOTAL | 489 | 416 | 20.6% |

Appendix 2: Selection of new clients

Food & Facilities Management services

North America

Corporate Services

Delta Airlines, Atlanta, Georgia, (5,500 consumers, Foodservices);
Procter & Gamble Paper Products Co., Ltd., 5 sites (Facilities Management);
Blue Cross & Blue Shield, Chattanooga, Tennessee (2,800 consumers, Foodservices); **Frontier Drilling, Delta**, Utah (105 consumers, Foodservices)

Health Care and Seniors

Florida Hospital Heartland Medical Center, Sebring, Florida (111 beds, Foodservices); **Hurley Medical Center**, Flint, Michigan (443 beds, Foodservices); **John Peter Smith Hospital**, Fort Worth, Texas (429 beds, Facilities Management services); **University of Mississippi Medical Center**, Jackson, Mississippi (656 beds, Food and Nutrition Services)

Education

San Juan College, Farmington, New Mexico (270 students, Food and Facilities Management services); **International Student House**, Washington, DC (100 students, Food and Facilities Management services); **Waubensee Community College**, Sugar Grove, Illinois (9,093 students, Food and Facilities Management services)

Continental Europe

Corporate Services

Merck Sharp & Dohme SA, Brussels, Belgium (220 consumers, Food and Facilities Management services); **Deos Road Vending**, Belgium (Foodservices); **Sanofi-Aventis**, Ambares and Lagrave, France (1,000 consumers, Foodservices); **Sanofi Pasteur**, Marcy l'Etoile, France (3,500 consumers, Foodservices); **Conseil général des Hauts de Seine (Table des élus : le Ruban Bleu)**, Nanterre, France (Foodservices) ; **Reunica**, Paris and Levallois, France, 1,130 consumers, Foodservices); **Merck Sharp & Dohme S.p.A.**, Rome, Italy (350 consumers, Facilities Management services); **SOGEL**, Rome, Italy (1,950 consumers, Foodservices); **Sappi Ngodwana**, Nelspruit, South Africa (2,500 consumers, Foodservices); **SVT**, Stockholm, Sweden (950 consumers, Foodservices); **Lyondellbasell**, 2 sites, France (960 consumers, Foodservices); **Servier Surval**, Suresnes, France (500 consumers, Foodservices)

Health Care and Seniors

Azienda Ospedaliera G. Salvini, Milan, Italy (1,000 beds, Foodservices); **EPSM-Lille Métropole**, France (800 beds, Foodservices); **Maison de Santé de Nogent-sur-Marne**, France (117 beds, Foodservices)

Education

Comune di Garbagnate Milanese, Milan, Italy (2,600 students, Foodservices);
Charenton Le Pont, Charenton Le Pont, France (1,850 students, Foodservices);
Universidad Deusto, Bilbao, Spain (1,350 students, Foodservices)

Correctional Services

Saint-Denis correctional facility, France (575 prisoners, Food and Facilities Management services)

United Kingdom and Ireland

Corporate Services

Banff & Buchan College, Fraserburgh (7,000 students, Food and Facilities Management services)

Latin America

Corporate services

Alimentos Heinz C.A., Venezuela; **Procter & Gamble**, Caracas, Venezuela;
Codistil Dedini, Brazil (Foodservices); **Clube Pinheiros**, Brésil (Foodservices);
Molymet, Chile (Foodservices)

Healthcare and Seniors

Hospital Samaritano, Brazil (Foodservices)

Remote sites

Vale Alegria, Brazil; **Observatorio ESO Paranal**, Chile (Foodservices); **Vale Feijao**, Brazil (Facilities Management services); **Vale Agua Limpa**, Brazil (Facilities Management services) ; **Vale Timbopeba**, Brazil (Foodservices)

Rest of the World

Corporate Services

Naftal, Algeria (1,300 consumers, Foodservices); **Coca-Cola Beverage CA**, China (Foodservices); **WRI WH CA**, China (Foodservices); **Nova WH CA**, China (Foodservices); **Zizhu Park SH CA**, China (Foodservices); **P&G GZ Huangpu**, 6 sites, China (Facilities Management services); **Henkel Huawei LYG CA**, China (Foodservices); **Kraft SH**, 2 sites, China (Food and Facilities Management services); **Volvo CA**, China (Foodservices); **Wipro Technologies**, Chennai and Mumbai, India (4,200 consumers, Facilities Management services); **Capita**, Pune, India (Facilities Management services); **Emerson Design**, Pune, India (650 consumers, Facilities Management services)

Health Care and Seniors

Domain Aged Care, Australia (120 consumers, Food and Facilities Management services); **Artemis Hospitals**, Gurgaon, India (500 beds, Foodservices)

Defense

United Nations Interim Force, Lebanon (over 1,500 camp residents, Facilities Management services); **United Services Club**, Mumbai, India (average 500 consumers, Foodservices)

Remotes Sites

BHP Billiton Olympic Dam Corporation Pty Ltd, Australia (3 sites, 2,060 consumers, Food and Facilities Management services); **Sakhalin Energy Investment Company LTD**, Russian Far East (800 consumers, Food and Facilities Management services); **Punj Lloyd**, UAE (1,000 consumers, Food and Facilities Management services); **Transocean**, Congo (140 consumers, Food and Facilities Management services); **ARGAS**, Arabia (500 consumers, Food and Facilities Management services); **WESTERNGECO**, Arabia (500 consumers, Food and Facilities Management services); **Karara Mining Limited**, Australia (Food and Facilities Management services)

Service Vouchers and Cards

EUROPE:

Belgium: **IDEA Intercom** (Meal Pass, 766 beneficiaries), **FNAC** (Meal Pass, 800 beneficiaries)

France: **Coriolis Telecom** (Meal Pass, 315 beneficiaries); **Schneider Electric** (Home Services Pass, 1,300 beneficiaries)

Hungary: **Flextronics** (Meal Pass, 776 beneficiaries)

Poland: **Banque Pekao** (Gift Pass, 18,000 vouchers), **Lidl Polska** (Gift Pass, 9,200 vouchers)

Slovakia: **Accenture Technology Solutions** (Leisure Pass, 1,000 beneficiaries)

LATIN AMERICA:

Argentina: **Government of Rio Negro Province** (Assistance, 12,524 beneficiaries)

Brazil: **Prisma Consultoria e serviços Ltd** (Food Pass, 2,100 beneficiaries); **Auto Viação Jabour Ltd** (Food Pass, 3,148 beneficiaries)

Colombia: **HuaWei Technologies** (Food Pass)

Mexico: **Leoni Wiring Systems** (Food Pass)

Peru: **Caja Municipal y Ahorro de Trujillo** (Food Pass, 1,000 beneficiaries)

ASIA:

India: **Television 18 India** (Meal Pass, 760 beneficiaries); **IBN 18 Broadcast** (Meal Pass, 600 beneficiaries)

Indonesia: **Astra Honda Motor** (Gift Pass, 14,195 beneficiaries)