

## Sodexo announces first quarter Fiscal 2010 revenues in line with expectations

- **First quarter organic growth affected by the economic downturn:**
  - On-site Service Solutions: - 0.8%
  - Motivation Solutions: - 2.6%
- **Confirmation of Fiscal 2010 objectives**

Paris, January 6, 2010 - SODEXO (NYSE Euronext Paris FR0000121220 – SW OTC:SDXAY), world leader in Quality of Daily Life Solutions, today announced revenue for the first quarter of Fiscal 2010, which ended on November 30, 2009.

### Revenue by activity and geographic region

In millions of euro	Q1 Fiscal 2009	Q1 Fiscal 2010	Organic growth <sup>(1)</sup>	Currency impact <sup>(2)</sup>	Acquisitions	Total change
<b>On-site Service Solutions <sup>(3)</sup></b>						
• North America	1,650	<b>1,522</b>	<b>- 0.6%</b>	- 7.5%	+ 0.3%	<b>- 7.8%</b>
• Continental Europe	1,320	<b>1,374</b>	<b>- 1.8%</b>	- 1.0%	+ 6.8%	<b>+ 4.0%</b>
• UK and Ireland	339	<b>295</b>	<b>- 2.8%</b>	- 10.1%	-	<b>- 12.9%</b>
• Rest of the World	489	<b>510</b>	<b>+ 2.5%</b>	- 2.9%	+ 4.9%	<b>+ 4.5%</b>
<b>Total</b>	<b>3,798</b>	<b>3,701</b>	<b>- 0.8%</b>	- 4.9%	+ 3.1%	<b>- 2.6%</b>
<b>Motivation Solutions <sup>(3)</sup></b>						
	181	<b>171</b>	<b>- 2.6%</b>	- 2.6%	-	<b>- 5.2%</b>
Intra-group eliminations	- 4	<b>- 4</b>				
<b>Consolidated total</b>	<b>3,975</b>	<b>3,868</b>	<b>- 0.9%</b>	<b>- 4.8%</b>	<b>+ 3.0%</b>	<b>- 2.7%</b>

1) Organic growth: increase in sales at constant scope and excluding exchange rate effects.

2) It should be noted that, contrary to exporting companies, the revenue and expenses of Sodexo subsidiaries are denominated in the same currency. Consequently, foreign exchange variations do not have operational risk.

The main average exchange rates for the first quarter of Fiscal 2010 were as follows:

- 1 EUR = USD 1.469
- 1 GBP = 0.9 EUR
- 1 BRL = 2.609 EUR

3) As previously disclosed, in refining its strategic positioning, Sodexo decided to change the names of its services as follows:

- "Food and Facilities Management Services" are now "On-site Service Solutions"
- "Service Vouchers and Cards" are now "Motivation Solutions"

Commenting on these figures, Sodexo CEO Michel Landel, said:

*“The first three months of Fiscal 2010 were in line with our expectations. While the economic environment causes us to continue to be cautious, we reaffirm our objectives for the current fiscal year.*

*At the same time, Sodexo is investing in its comprehensive service offerings, in particular for large national and multinational clients. In addition, Sodexo is continuing its transformation to better meet the evolving needs of its clients and improve our organizational efficiency. Sodexo teams remain fully mobilized to realize these objectives, which will guarantee Sodexo’s success in the long term.”*

## Analysis of the Group’s Organic Growth in Revenues

In millions of euro	First Quarter Fiscal 2009	First Quarter Fiscal 2010	Organic growth
Corporate	1,781	1,723	- 3.5%
Health Care and Seniors	937	943	1.9 %
Education	1,080	1,035	1.2%
<b>Total On-site Service Solutions</b>	<b>3,798</b>	<b>3,701</b>	<b>-0.8%</b>
<b>Motivation Solutions</b>	<b>181</b>	<b>171</b>	<b>- 2.6%</b>
Eliminations	- 4	- 4	
<b>TOTAL</b>	<b>3,975</b>	<b>3,868</b>	<b>- 0.9%</b>

As described by Michel Landel during the presentation of the results for Fiscal 2009 on November 10, 2009, the first effects of the global economic crisis did not begin to affect Sodexo until the second quarter of Fiscal 2009. As a result, the first quarter of the prior year represents a high basis of comparison.

## Analysis of Organic Growth in Revenues - On-site Service Solutions

### North America

In millions of euro	First Quarter Fiscal 2009	First Quarter Fiscal 2010	Organic growth
Corporate	343	294	- 8.6%
Health Care and Seniors	550	516	1.0%
Education	757	712	1.8%
<b>TOTAL</b>	<b>1,650</b>	<b>1,522</b>	<b>- 0.6%</b>

At - 8.6%, the Corporate segment continues to be affected by the reduction of all discretionary spending (event catering activities), lower employment levels and work hours among a number of clients as well as the slowing of the Sports and Leisure activity.

In Health Care and Seniors, in a context of moderate growth on existing sites, the delayed decision-making by potential clients has limited commercial development and the increase in revenues.

Recent contract wins by Sodexo include Sunrise Hospital and Medical Center in Las Vegas as well as Mount Sinai Medical Center in New York, which is the largest Health Care comprehensive service solutions contract ever signed in North America.

The Education segment increased 1.8% reflecting increased enrollment on university campuses, offset by:

- reduced purchasing power of students and their families;
- a limited number of construction and renovation projects.

### Continental Europe

In millions of euro	First Quarter Fiscal 2009	First Quarter Fiscal 2010	Organic growth
Corporate	753	769	- 3.7%
Health Care and Seniors	309	340	- 0.2%
Education	258	265	+ 1.9%
<b>TOTAL</b>	1,320	1,374	- 1.8%

In Continental Europe, the slowdown in activity on the part of Corporate clients continued in most countries.

In Health Care and Seniors, as observed in North America, commercial development was weakened by delays in decision-making by potential clients over the past year contributing to the decline in activity. At the same time, the Group achieved good existing site growth and won several new contracts such as General Hospital de Catalunya in Spain and the Centre Hospitalier Saint-Michel in France.

The Education segment benefited from growth on sites, more modest than in the past, and from several contract openings, particularly in Hungary and the Netherlands.

Recent commercial successes include the significant contracts with the public schools of Helsingborg, Sweden and Segrate, Italy.

### UK and Ireland

In millions of euro	First Quarter Fiscal 2009	First Quarter Fiscal 2010	Organic growth
Corporate	242	201	- 7.4%
Health Care and Seniors	58	61	18.2%
Education	39	33	- 5.0%
<b>TOTAL</b>	339	295	- 2.8%

The 7.4% decline in Corporate activity reflects the continued reductions in discretionary spending (event catering activities) and employment levels by clients. It is important to recall that the ramp-up of several significant On-site Service Solutions contracts in Justice, Defense and Corporate had helped offset this trend in prior quarters.

The Health Care and Seniors segment continued to experience strong growth (+ 18.2%) compared to the first quarter of Fiscal 2009, benefiting from the ramp-up of several Public-Private Partnership (PPP) contracts for comprehensive service offerings.

Finally, lower activity in private schools weighed on growth in the Education segment.

## Rest of the World

In millions of euro	First Quarter Fiscal 2009	First Quarter Fiscal 2010	Organic growth
Corporate	443	459	3.1%
Health Care and Seniors	20	26	11.1%
Education	26	25	- 14.8%
<b>TOTAL</b>	489	510	2.5%

In the **Rest of the World**, growth continued in Latin America, the Middle East, Africa and Asia. At the same time, the completion of certain Remote Sites contracts weighed on revenue growth.

Sodexo successfully developed its service offer in the Health Care and Seniors segments in Latin America and Asia (particularly in China and Thailand).

Several new contracts were won, including Pirelli and Itau Unibanco in Brazil, Gustavo Fricke Hospital in Chile, the MARSAs gold mining site in Peru, and Mc Dermott and Rowan Drilling in the Gulf of Mexico, and KSA BGP Arabia Company in Saudi Arabia.

## Motivation Solutions

Revenues declined by 2.6% as a result of the following factors:

- fewer beneficiaries related to staff reductions at several clients, despite an excellent level of client retention;
- a reduction as expected in financial income related to current interest rate levels;
- pressure on commissions, in particular in Incentive Solutions and Gift Vouchers in several countries.

Despite this decline related to the current downturn, Sodexo remains confident in its ability to return to double digit growth in the medium term given in particular the current excellent client retention levels and the significant potential of the worldwide Motivation Solutions market.

In addition, the sales and marketing teams have continued their efforts in innovation, including the successful launch of the Eco Pass in Belgium, a new service solution whose twofold objective is to improve the purchasing power of consumers while encouraging the purchase of ecologically sound products and services.

Among the recent commercial successes are Lenovo in Spain, Steria in France, Roeselare Hospital in Belgium and Accenture in India.

## Financial position

The Group's solid financial position has changed little since the August 31, 2009 end of the fiscal year and the debt ratio (net financial debt over equity) remains around 38%.

## Objectives for Fiscal 2010

Sodexo confirms the Fiscal 2010 objectives set last November:

- revenues (at constant scope and exchange rates) maintained at the same level as the prior year;
- operating profit of between 750 and 770 million euro (at constant rates).

### Conference call and Internet webcast

SODEXO will hold a conference call today at 8:30 a.m. (Paris time), to comment on revenue for the First Quarter of Fiscal 2010. Persons wishing to participate are invited to dial + 33 1 72 00 13 68. The press release and the presentation will be available on the Group website: [www.sodexo.com](http://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 00 15 00, followed by the passcode 269152#.

In addition, the conference call will be broadcast on the Internet (webcast) with simultaneous audio (available on [www.sodexo.com](http://www.sodexo.com)) and available from the archives for twelve months.

### Availability of information

Sodexo's quarterly financial information is available on Sodexo's website: [www.sodexo.com](http://www.sodexo.com)

A selection of awards and recognition received by Sodexo throughout the world is available on [Sodexo website](#).

### Financial communications calendar

General Shareholders Meeting: January 25, 2010, Issy-les-Moulineaux

Fiscal 2010 first-half results: April 22, 2010. Publication by press release prior to the opening of Paris Euronext, followed by a conference call.

This date is only indicative and remains subject to change.

## About Sodexo

Quality of Life services play an important role in the progress of individuals and the performance of organizations. Based on this conviction, Sodexo is the strategic partner for companies and institutions that place a premium on performance and well-being, as it has since Pierre Bellon founded the company in 1966. Sharing the same passion for service, Sodexo's 380,000 employees, in 80 countries design, manage and deliver an unrivaled range of On-site Service Solutions and Motivation Solutions. Sodexo has created a new form of service business that contributes to the economic, social and environmental development of the communities, regions and countries in which it operates and to the fulfillment of its employees.

**Sodexo key figures (as of August 31, 2009)**

**14.7 billion** euro consolidated revenue

**380,000** employees

**33,900** sites

**50 million** consumers served daily

**80** countries

**2<sup>nd</sup>** French employer worldwide, **22<sup>nd</sup>** worldwide employer

**6.3 billion** euro market capitalization (as of January 5, 2009)

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.

**Press**

Jean-Charles TREHAN

Tel. & Fax: +33 1 57 75 80 24

E-mail: [jean-charles.trehan@sodexo.com](mailto:jean-charles.trehan@sodexo.com)

**Investors**

Pierre BENAICH

Tel. & Fax: +33 1 57 75 80 56

E-mail: [pierre.benaich@sodexo.com](mailto:pierre.benaich@sodexo.com)

## Appendix – Selected new clients

### On-site Service Solutions

#### Corporate Services

**Cablevision Systems Corporation**, 2 sites, United States  
**Broadcom Corporation**, 5 sites, United States  
**California State Automobile Association**, Walnut Creek, California, United States  
**John Deere**, 2 sites in Moline, Illinois, United States  
**Colgate Palmolive**, Morristown, Tennessee, United States  
**Ceske aerolinie a.s**, Prague, Czech Republic  
**RIE 103 Grenelle**, Paris, France  
**Bouygues Telecom - Tour Mozart**, Issy-les-Moulineaux, France  
**Malakoff Mederic**, Guyancourt, France  
**RIE Le Millénaire II**, Paris, France  
**Natixis Arc de Seine**, Paris, France  
**M.M.A. Mutuelle du Mans Assurances**, 4 sites, France  
**Société Générale Pole Paris**, 9 sites, France  
**Virgin Atlantic LHR Departures**, Heathrow and Gatwick, United Kingdom  
**Carrefour**, Brussels, Belgium  
**Nokia**, Copenhagen, Denmark  
**Itella**, 4 sites (Helsinki, Vantaa, Oulu, Turku), Finland  
**Procter & Gamble**, Csomor, Hungary  
**Ministerie VWS**, Den Haag, Netherlands  
**Pirelli**, 5 sites, Brazil  
**Procter & Gamble**, Santiago, Chile  
**Itaú Unibanco**, Sao Paulo, Brazil

#### Healthcare and Seniors

**Mount Sinai Medical Center**, New York City, New York, United States  
**Sunrise Hospital and Medical Center**, Las Vegas, Nevada, United States  
**Concordia Lutheran Ministries**, Cabot, Pennsylvania, United States  
**St. Vincent Infirmiry Medical Center**, Little Rock, Arkansas, United States  
**Centre de Réadaptation Sainte Marie**, Paris, France  
**Hospital General de Catalunya**, Barcelona, Spain  
**Imas Emili Mira**, Santa Coloma de Gramanet, Spain  
**CSI Moises Broggi**, Sant Joan Despi, Spain  
**Centre Hospitalier - Saint Michel**, France  
**Nuffield Health and Wellbeing**, 14 sites, United Kingdom  
**Hospital Gustavo Fricke**, Viña del Mar, Chile  
**Fondacion Favaloro**, Buenos Aires, Argentina

## Education

**Schools of Helsingborg city**, Helsingborg, Sweden  
**Schools of Segrate city**, Milano, Italy  
**II kerulet oktatasi intezmenyei**, Budapest, Hungary  
**Kings Park Primary School**, Wiltshire, United Kingdom  
**Reading Blue Coats**, Reading, United Kingdom  
**University of Stirling**, Stirling, Scotland  
**Savonia**, 2 sites in Kuopio, Finland

## Justice

**17 correctional facilities**, France

## Remote Sites

**AMEC Process and Energy**, Dunlin Alpha Rig, North Sea, Scotland  
**MARSA (Mina Aurifera Retamas S.A.)**, 180 km East of Trujillo, Peru  
**MINERA ESPERANZA Pipeline Construction**, Sierra Gorda, Chile  
**Salobo Metais (Vale Mining Site)**, Marabá, Brazil  
**Mina de Fabrica (Vale Mining Site)**, Congonhas, Brazil  
**Mc Dermott DB 50 rig**, Gulf of Mexico, United States  
**Rowan Drilling: 2 rigs (Ralph Coffman and Bob Palmer)**, Gulf of Mexico, United States  
**KSA BGP Arabia Company**, Saudi Arabia

## Motivation Solutions

### Europe:

Belgium: **Roeselare Hospital** (Meal Pass, 2,300 beneficiaries)  
France: **Steria** (Meal Pass, 3,200 beneficiaries)  
**Nocibe** (Meal Pass, 2,000 beneficiaries)  
Italy: **Allianz Group** (Meal Pass, 4,500 beneficiaries)  
Turkey: **Direct Marketing & PR** (Meal Pass, 200 beneficiaries)  
Czech Republic: **Arcelor Mittal Ostrava** (Gift Pass)  
Poland: **Company operating oil pipelines "Friendship"** (Gift Pass)  
Romania: **STX Tulcea** (Meal Pass, 1,300 beneficiaries)



**Latin America:**

Brazil: **Brazilian Development Bank** (Food & Meal Pass, 2,200 beneficiaries)

**Infraero** (Food & Meal Pass, 1,200 beneficiaries)

Colombia: **Ecopetrol** (Food Pass, 1,100 beneficiaries)

Mexico: **Cultural Centres** (Food Pass, 1,650 beneficiaries)

Venezuela: **Viveres de Candido** (Food Pass, 1,000 beneficiaries)

**Technical Aeronautic Services de Zulia** (Food Pass, 600 beneficiaries)

**Asia:**

India: **Logica** (Meal Pass, 4,200 beneficiaries)

**Accenture** (Meal Pass, 11,350 beneficiaries)