

## Sodexo announces organic growth of + 1.9% for the first nine months of the Fiscal year

- **On-site Service Solutions up + 1.6%, following more sustained activity in the last three months**
- **Motivation Solutions up + 6.9% with improved momentum in Latin America**
- **Revised outlook for Fiscal 2010: organic revenue growth of close to + 2%**

**Issy-les-Moulineaux, July 7, 2010** - SODEXO (NYSE Euronext Paris FR0000121220 – SW OTC:SDXAY), world leader in Quality of Daily Life Solutions, announced today revenues for the first nine months of Fiscal 2010, which ended on May 31, 2010.

### Revenue by activity and geographic region

In millions of euro	9 months Fiscal 2009	9 months Fiscal 2010	Organic growth	Currency impact	Acquisitions	Total change
<b>On-site Service Solutions</b>						
• North America	4,620	<b>4,512</b>	<b>+ 1.6%</b>	- 4.3%	+ 0.3%	<b>- 2.4%</b>
• Continental Europe	3,917	<b>4,073</b>	<b>+ 1.2%</b>	+ 0.3%	+ 2.5%	<b>+ 4.0%</b>
• UK and Ireland	939	<b>887</b>	<b>- 3.3%</b>	- 2.3%	-	<b>- 5.6%</b>
• Rest of the World	1,408	<b>1,577</b>	<b>+ 6.0%</b>	+ 2.6%	+ 3.4%	<b>+ 12%</b>
<b>Total</b>	10,884	<b>11,049</b>	<b>+ 1.6%</b>	- 1.6%	+ 1.5%	<b>+ 1.5%</b>
<b>Motivation Solutions</b>						
	529	<b>508</b>	<b>+ 6.9%</b>	- 10.9%	-	<b>- 4%</b>
Intra-group eliminations	- 14	<b>- 14</b>				
<b>Consolidated total</b>	<b>11,399</b>	<b>11,543</b>	<b>+ 1.9%</b>	<b>- 2.0%</b>	<b>+ 1.4%</b>	<b>+ 1.3%</b>

Organic growth: increase in revenues at constant scope and excluding exchange rate effects.

In September 2009, Sodexo decided to change the names of its services as follows:

- “Food and Facilities Management Services” is now “On-site Service Solutions”
- “Service Vouchers and Cards” is now “Motivation Solutions”

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

*"This performance is a result of Sodexo's new strategic positioning and the excellent work of our teams. The global economic environment is volatile and we remain prudent in our outlook. However, I remain fully confident in our ability to capitalize on the significant growth potential of our markets, estimated at 780 billion euro, based on the relevance of our comprehensive service solutions and Sodexo's presence in 80 countries particularly in the dynamic economies in Asia and Latin America."*

## Analysis of Group organic growth

In millions of euro	9 months Fiscal 2009	9 months Fiscal 2010	Organic growth
Corporate	5,119	5,251	+ 0.9%
Health Care and Seniors	2,909	2,946	+ 1.9%
Education	2,856	2,852	+ 2.6%
<b>On-site Service Solutions - total</b>	<b>10,884</b>	<b>11,049</b>	<b>+ 1.6%</b>
<b>Motivation Solutions</b>	<b>529</b>	<b>508</b>	<b>+ 6.9%</b>
Eliminations	-14	-14	
<b>TOTAL</b>	<b>11,399</b>	<b>11,543</b>	<b>+ 1.9%</b>

### On-site Service Solutions:

After a sharp decline in activity during the second half of Fiscal 2009, the start of new contracts contributed to positive organic revenue growth in **Corporate**, particularly in Continental Europe.

Growth continued in **Education**, **Health Care** and **Seniors**, the markets with the greatest potential, although the effect of weak development in recent quarters is still being felt in North America, the UK and Ireland and Continental Europe.

Sodexo's performance in both Latin America and Asia also contributed to the third quarter increase.

### Motivation Solutions:

Sodexo achieved organic growth of + 6.9%, with growth accelerating during the third quarter, notably in Latin America.

Group consolidated organic revenue growth was + 4.9% for the third quarter of Fiscal 2010, an improvement compared to the first six months of the fiscal year.

## Currency impact evolution

The negative currency impact declined from - 4% for the first half to only - 2% for the first nine months. Nonetheless the variation in the average Dollar / Euro exchange rate remained negative as compared to the prior year comparable period.

## Analysis of organic growth - On-site Service Solutions

### North America

In millions of euro	9 months Fiscal 2009	9 months Fiscal 2010	Organic growth
Corporate	968	925	- 1.9%
Health Care and Seniors	1,691	1,653	+ 1.6%
Education	1,961	1,934	+ 3.4%
<b>TOTAL</b>	<b>4,620</b>	<b>4,512</b>	<b>+ 1.6%</b>

Organic revenue growth in **Corporate** continued to lag compared to the same period last year, reflecting lower patronage on sites. At the same time, the ramp up of new comprehensive service solutions contracts such as Procter & Gamble and the opening of new contracts such as the International Monetary Fund contributed to progression in revenues during the third quarter. Among recent contract wins was Hydro Quebec in Canada.

In **Health Care and Seniors**, organic revenue growth was + 1.6%. Sodexo's comprehensive service solutions offer is particularly well adapted to the needs of hospitals, patients and visitors. Recent new clients include San Francisco General Hospital Medical Center and Kisco Senior Living retirement communities. In addition, Comfort Keepers, a provider of non-medical in-home services to the elderly acquired by Sodexo last August, continues to open numerous franchises in the U.S.

Increased enrollments on university campuses and in schools contributed to organic growth of + 3.4% in **Education**. Contracts won during the first nine months include the Spartanburg School District (South Carolina).

## Continental Europe

In millions of euro	9 months Fiscal 2009	9 months Fiscal 2010	Organic growth
Corporate	2,199	2,287	+ 0.8%
Health Care and Seniors	985	1,031	+ 1.2%
Education	733	755	+ 2.2%
<b>TOTAL</b>	<b>3,917</b>	<b>4,073</b>	<b>+ 1.2%</b>

Despite a continuing difficult economic environment, organic growth in **Corporate** was + 0.8%, with a return to growth in the third quarter. This improvement is mainly a result of new contracts such as the Justice Ministry in France (management of 27 correctional facilities) and KPN, the telecommunications leader in the Netherlands. New contracts recently signed in Russia include Kamaz (leader in Russia's industrial vehicles market), Salyem Petroleum Development (a JV with Shell) and the Cirque du Soleil.

In **Health Care and Seniors**, revenues increased + 1.2%. The ramp up of two university hospitals in Belgium and an important contract for the city of Stockholm in Sweden contributed to this performance. At the same time, slower decision-making by prospective clients has weakened development over the past 18 months. New contracts won by Sodexo include Polyclinique Saint-François, Groupe VITALIA, in France, and H. Juan Grande Jerez in Spain.

At + 2.2%, organic growth in **Education** was sustained primarily in France and Sweden. Recent contract wins include Comune di Cassano d'Adda in Italy.

## UK and Ireland

In millions of euro	9 months Fiscal 2009	9 months Fiscal 2010	Organic growth
Corporate	667	618	- 5.1%
Health Care and Seniors	171	177	+ 5.6%
Education	101	92	- 6.5%
<b>TOTAL</b>	<b>939</b>	<b>887</b>	<b>- 3.3%</b>

**Corporate** remained in decline at - 5.1%. However, during the period, Heineken, Johnson & Johnson and the Stirling Management Centre (University of Stirling in Scotland) chose Sodexo to provide comprehensive service solutions.

**Health Care and Seniors** continued to grow + 5.6% compared to the same period for the prior year.

In **Education**, a decline in revenues of - 6.5% reflected continued selectivity in the public sector in schools. However, Sodexo recently won a prestigious contract with Southampton University.

## Rest of the World (Latin America, Middle East, Asia, Africa, Australia and Remote Sites)

In millions of euro	9 months Fiscal 2009	9 months Fiscal 2010	Organic growth
Corporate	1,285	1,421	+ 6.2%
Health Care and Seniors	62	85	+ 10.8%
Education	61	71	- 2.8%
<b>TOTAL</b>	<b>1,408</b>	<b>1,577</b>	<b>+ 6.0%</b>

Growth accelerated in Latin America, reflecting particularly new business development growth in Brazil and Peru and solid comparable unit growth. In Asia, performance improved during the third quarter following signs of a stronger economy. The completion of the construction phase of certain contracts slowed growth in Remote Sites.

Recent commercial successes include Akzo Nobel and Votorantim Cimentos in Brazil and Anglo-American in Chile, who retained Sodexo for its strong experience in the mining industry around the world. Other recent contract wins include Orascom Construction Industries in Algeria, Cultural Village / West Bay in Qatar and Hawk International / Yemen LNG in Yemen.

## Analysis of organic growth - Motivation Solutions

Revenues for the Motivation Solutions activity increased to 508 million euro, representing organic growth of + 6.9%. Growth accelerated in the third quarter from, in particular:

- a strong rise in revenues in Brazil and Venezuela partly following increases in the face value of vouchers,
- sustained progression of Eco-Pass<sup>1</sup> and Employment Services Vouchers in Belgium.

At the same time, revenues remained significantly lower in Central Europe, affected by large workforce reductions by clients. Strong competition in some countries also exerted pressure on client commissions.

Recent contract wins include Computer Sciences Corp in India and Consorcio Rio Melhor in Brazil.

## Financial situation

As of February 28, 2010, the Group's net debt to equity ratio was 42%. This debt level remained largely stable as of May 31, 2010.

<sup>1</sup> Eco-Pass is an employer-provided voucher that employees may use to purchase environmentally friendly goods or services such as insulating materials, low-energy consumption light bulbs and bicycles, etc.

## Outlook for Fiscal 2010

Based on current information, Sodexo expects to achieve an organic revenue growth (at constant scope and exchange rates) for Fiscal 2010 of around 2% (as compared to the fiscal year's objective announced last November of flat organic growth).

This slight improvement in outlook for organic should also increase operating profit by around 10 million euros. Sodexo therefore expects to achieve operating profit between 780 million and 800 million euros (at constant currency rates).

In addition, conversion effects for Fiscal 2010 will again depend on changes in the Group's principal currencies during the last quarter.

### 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 nine months of Fiscal 2010. Persons wishing to participate are invited to dial + 33 1 72 00 09 91. 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 01, followed by the passcode 270386#.

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 recognitions received by Sodexo throughout the world is available on Sodexo's website.

### Future financial communications

Fiscal 2010 Annual results: November 10, 2010. Publication by press release prior to the opening of Paris Euronext, followed by a briefing for analysts and journalists.

This date is only indicative and remains subject to change.

## About Sodexo

### Sodexo, world leader in Quality of Daily Life Solutions

Quality of Life plays an important role in the progress of individuals and the performance of organizations. Based on this conviction, Sodexo acts as the strategic partner for companies and institutions that place a premium on performance and employee 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 array of On-site Service Solutions and Motivation Solutions. Sodexo has created a new form of service business that contributes to the fulfillment of its employees and the economic, social and environmental development of the communities, regions and countries in which it operates.

**Group Key Figures** (as of August 31, 2009)

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**14.7 billion** euro consolidated revenue  
**380,000** employees  
**22<sup>nd</sup>** largest employer worldwide  
**80** countries  
**33,900** sites  
**50 million** consumers served daily  
**7.5 billion** euro market capitalization (as of July 6, 2010)

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.

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## Appendix 1 Consolidated quarterly revenues

### First quarter (September to November)

In millions of euro	Fiscal 2010	Fiscal 2009
<b>On-site Service Solutions</b>	<b>3,701</b>	3,798
North America	<b>1,522</b>	1,650
Continental Europe	<b>1,374</b>	1,320
UK and Ireland	<b>295</b>	339
Rest of the World	<b>510</b>	489
<b>Motivation Solutions</b>	<b>171</b>	181
<b>Eliminations</b>	<b>- 4</b>	- 4
<b>TOTAL</b>	<b>3,868</b>	3,975

### Second quarter (December to February)

In millions of euro	Fiscal 2010	Fiscal 2009
<b>On-site Service Solutions</b>	<b>3,477</b>	3,482
North America	<b>1,389</b>	1,459
Continental Europe	<b>1,311</b>	1,287
UK and Ireland	<b>288</b>	297
Rest of the World	<b>489</b>	439
<b>Motivation Solutions</b>	<b>160</b>	180
<b>Eliminations</b>	<b>- 5</b>	- 4
<b>TOTAL</b>	<b>3,632</b>	3,658



### Third quarter (March to May)

In millions of euro	Fiscal 2010	Fiscal 2009
<b>On-site Service Solutions</b>	<b>3,871</b>	3,604
North America	<b>1,601</b>	1,511
Continental Europe	<b>1,388</b>	1,310
UK and Ireland	<b>304</b>	303
Rest of the World	<b>578</b>	480
<b>Motivation Solutions</b>	<b>177</b>	168
<b>Eliminations</b>	<b>- 5</b>	- 6
<b>TOTAL</b>	<b>4,043</b>	3,766

### 9 month Fiscal 2010

In millions of euro	Fiscal 2010	Fiscal 2009	% Variation	
			Current rates	Constant rates
<b>On-site Service Solutions</b>	<b>11,049</b>	10,884	<b>+ 1.5%</b>	<b>+ 3.0%</b>
• North America	<b>4,512</b>	4,620	<b>- 2.4%</b>	<b>+ 2.0%</b>
• Continental Europe	<b>4,073</b>	3,917	<b>+ 4.0%</b>	<b>+ 3.7%</b>
• UK and Ireland	<b>887</b>	939	<b>- 5.6%</b>	<b>- 3.3%</b>
• Rest of the World	<b>1,577</b>	1,408	<b>+ 12.0%</b>	<b>+ 9.4%</b>
<b>Motivation Solutions</b>	<b>508</b>	529	- 4.0%	+ 6.9%
<b>Eliminations</b>	<b>- 14</b>	- 14		
<b>TOTAL</b>	<b>11,543</b>	11,399	<b>+ 1.3%</b>	<b>+ 3.3%</b>

## Appendix 2

### Exchange rates for principal currencies

1€=	Average rate 9 months Fiscal 2010	Average rate 9 months Fiscal 2009
<b>US Dollar</b>	<b>1.403</b>	1.3319
<b>Pound Sterling</b>	<b>0.887</b>	0.8644
<b>Brazilian Real</b>	<b>2.5</b>	2.8981

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.

## Appendix 3

### Selection of new clients

#### On-site Service Solutions

##### Corporate

**BAE Systems**, 6 new sites, United States (7,800 people)  
**Panduit Corporation**, Tinley park, Illinois, United States (2,000 people)  
**MySpace**, Beverly Hills, California, United States (900 people)  
**SAP SCC**, 2 sites, Ireland (1,000 people)  
**Schaeffler Co.,Ltd.**, Taicang, China (1,250 people)  
**China Post**, Beijing, China, (800 people)  
**ExxonMobil Hong Kong Ltd**, Hong Kong, China (150 people)  
**Shanghai Jahwa (Group) CO.,Ltd**, Shanghai, China  
**Dongguan Van Shung Chong Steel Products Co., Ltd**, Dongguan, China  
**Stifterverband für die Deutsche Wissenschaft**, Bonn, Germany (1,300 people)  
**Clariant**, 3 sites, Brazil (2,600 people)  
**Homecenter**, 12 sites, Colombia  
**Light Centro RJ**, Rio de Janeiro, Brazil (500 people)  
**Immeuble Spallis**, Saint-Denis, France (2,600 people)  
**AkzoNobel**, 3 new sites, Brazil (670 people)  
**Votorantim**, São Miguel and Praça Ramos, Brazil (500 people)

##### Health Care and Seniors

**BM Birla Heart Research Centre**, Birla, West Bengal, India (600 beds)  
**San Francisco General Hospital Medical Center**, San Francisco, California, United States (477 beds)  
**Kisco Senior Living**, Carlsbad, California, United States (3,300 residents)  
**Polyclinique Saint-François**, Groupe VITALIA, Desertines, France (248 beds)

##### Sports & Leisure

**Luna Park at Coney Island**, Coney Island, New York, United States (500,000 visitors a year)  
**Crédit Agricole Domaine du Manet**, Montigny-le-Bretonneux, France

##### Education

**Guangzhou No. 86 Middle School**, Guangzhou, China (1,500 students)  
**Houghton College**, Houghton, New York, United States (1,423 students)  
**Spartanburg School District 6**, Spartanburg, South Carolina, United States (10,000 students)  
**Comune di Cassano d'Adda**, Milano, Italy (1,600 students)

## Remote Sites

**ORASCOM Construction Industries**, El-Merk, Algeria (Catering, Housekeeping, Laundry, 1,000 people)  
**Cultural Village**, West Bay, Doha Qatar (2,500 people)  
**Baker Hughes**, Luanda, Angola (Catering, Housekeeping, Laundry, Reception, Luggage services and Recreation services, 90 people)  
**Hawk International for Yemen LNG**, Marib, Yemen (Food Services, 2,000 people)  
**Weatherford**, Rajasthan, India (90 people)  
**Anglo-American Laguna Seca – Colina**, Santiago, Chile (450 people)  
**Proyecto Lobo Marte**, Copiapo, Chile (135 people)  
**TDNSA-Obrador Crucero Catriel**, Neuquen, Argentina (180 people)  
**Al Rushaid Construction Co. Ltd**, Jubail Camp phase 2, Saudi Arabia (2,000 people)

## Defense

**Ministry of Defense**, 3 US Forces Camps (Arifjan Zone 1 DFAC, Ali Al Salem Air Base DFAC & Flight line Facility, Buehring DFAC), Kuwait (Food Services, 6,000 people)

## Justice

**G2 – Establecimiento penitenciario**, Antofagasta – Concepcion, Chile (3,000 people)

## Motivation Solutions

### Europe

#### Belgium

**Alliance International** (Meal Pass, 225 beneficiaries)

#### Luxembourg

**BNP Paribas real Estate Management** (Meal Pass)

#### Spain

**Puma Sports** (Meal Pass, 70 beneficiaries)

#### Turkey

**Starbucks Coffee Turkey** (Meal Pass, 1,200 beneficiaries)

**Arikanli Holding** (Meal Pass, 1,400 beneficiaries)

#### Hungary

**Lear Corporation** (Meal Pass, 2,100 beneficiaries)

## Romania

**Emergency Clinic of Bucharest** (Meal Pass, 4,540 beneficiaries)

**Romanian Waters' National Administration** (Meal Pass, 3,700 beneficiaries)

**British American Tobacco** (Meal Pass, 500 beneficiaries)

## Slovakia

**Pfizer** (Meal Pass, 200 beneficiaries)

## Latin America

### Brazil

**Consorcio Rio Melhor** (Meal Pass, 2,000 beneficiaries)

**CNH Latin America** (Incentive, 1,000 beneficiaries)

**Sadia** (Incentive, 150 beneficiaries)

### Colombia

**Dirección de Inteligencia Policial (DIPOL)** (Mobility Pass, 200 beneficiaries)

### Mexico

**Tec Design & Engineering** (Food Pass, 7,100 beneficiaries)

### Chile

**L'Oreal Chile** (Meal Pass, 170 beneficiaries)

### Venezuela

**CADAFE** (Food Pass, 17,600 beneficiaries)

**Caracas Electricity** (Food Pass, 3,200 beneficiaries)

## Asia

### China

**Shanghai Jiang'An Central Hospital** (Gift Pass)

### India

**Computer Sciences Corp** (Meal Pass, 10,400 beneficiaries)

**Wipro Technologies** (Meal Pass, 600 beneficiaries)

**Flextronics Technologies** (Meal Pass, 1,400 beneficiaries)