sodexo
QUALITY OF LIFE SERVICES

PRESS RELEASE

Sodexo: Solid Revenue and Profit growth in Fiscal 2012

- **Solid financial performance**
  - Revenues up + 13.6%, including + 6.5% organic growth
  - Operating profit up + 15.4% or + 13.6% excluding currency effects
  - Increase in Group net income: + 16.4%
  - Proposed dividend of 1.59 euro per share, + 8.9%
  - Net cash provided by operating activities: Exceeding one billion euro
- **Relevance of strategic choices**
  - Investment in human resources and high potential markets
  - Organic growth in facilities management services, three times that of foodservices
- **Medium-term objectives confirmed**

Issy-les-Moulineaux, November 8, 2012 - Sodexo (NYSE Euronext Paris FR 0000121220-OTC: SDXAY):
At the November 6, 2012 Board of Directors meeting chaired by Pierre Bellon, Michel Landel, Chief Executive Officer, presented the performance for Fiscal 2012.

Fiscal 2012 financial performance

millions of euro	Year ended August 31		Change excluding currency impacts	Currency impacts	Total change
	2012	2011			
Main income statement components					
Revenues	**18,236**	16,047	+ 10.9%	+ 2.7%	+ 13.6%
Organic growth	**6.5%**	5.2%			
Operating profit (reported)	**984**	853	+ 13.6%	+ 1.8%	+ 15.4%
Operating margin (reported)	**5.4%**	5.3%			
Operating profit excluding favorable accounting adjustment in the UK	**958**	853	+10.6%	+1.7%	+12.3%
Operating margin excluding favorable accounting adjustment in the UK	**5.3%**	5,3 %			
Group net income	**525**	451	+ 14.0%	+ 2.4%	+ 16.4%
Earnings per share (in euro)	**3.48**	2.95	+ 15.3%	+ 2.7%	+ 18.0%
Dividend per share (in euro)	**1.59**	1.46			+ 8.9%
Financial structure highlights					
Net cash provided by operating activities	**1,018**	847			
Gearing as of August 31	**21%**	15%			

Commenting these results, Group CEO Michel Landel said:

"These results confirm Sodexo's very good financial performance in an ever more difficult environment. Our positive growth momentum is being driven by our leadership in emerging markets, that have strong potential for growth and which now represent 20% of our revenues. Our contract wins demonstrate the attractiveness of the Sodexo brand, recognized for its Quality of Life services offer. For more than two years, our facilities management services have been growing three times faster than foodservices.

Operational efficiency and cost reduction continue to be our priority. We remain confident in the Group's strengths and are maintaining our medium-term objectives."

Revenue growth of 13.6%

Sodexo's consolidated revenues for Fiscal 2012 increased + 13.6% to 18.2 billion euro, including organic growth of + 6.5%.

This performance is in line with the objectives set at the beginning of the fiscal year.

Organic revenue growth accelerated compared to the previous year, in particular reflecting:

- the success of Sodexo's integrated and unique Quality of Life services offer
- its strong growth in emerging markets
- the contribution from contracts for two prestigious sporting events, the London Olympics and Rugby World Cup in New Zealand.

Facilities management services now represent 26% of consolidated revenues, compared with 18% in Fiscal 2005. Sodexo today provides more than 100 types of services to companies, universities, hospitals, senior residences, correctional facilities and individuals. Facilities management services grew three times the rate of foodservices during Fiscal 2012.

- On-site Services revenues increased + 14% to 17.5 billion euro, including organic growth of + 6.3%.
- By client segment, organic growth was as follows:
    - + 9.3% in Corporate, a clear acceleration over the + 6.7% achieved in Fiscal 2011
    - + 2.7% in Health Care and Seniors, reflecting modest business development (new contract wins)
    - + 4.2% in Education, a result of satisfactory growth in North America.

Organic growth for Benefits and Rewards Services[1] reached + 8.5%, driven by growth in Latin America.

Primary performance indicators

Sodexo's primary performance measures during the year were as follows:

- **94.1% client retention rate**, an increase of 0.1% compared to the previous year
- **3.4% existing site growth** compared with 4.3% the previous year, reflecting a decline in volumes, particularly in the Corporate segment and in Europe during the second half of the year
- **7.6% business development rate** (new contract wins), a slight increase over the previous year, reflecting the Group's numerous business successes
- The **retention rate** for all employees reached 60% and 84.7% for site managers.

During Fiscal 2012, a fourth global **engagement survey** was conducted among 130,000 employees in 60 countries. The **overall engagement rate** has increased by 9 points in the last four years. **85% of respondents** continue to rate Sodexo as a better employer than its competitors.

1 Sodexo has chosen to modify the name of the Motivation Solutions activity to Benefits and Rewards Services

Increase in operating profit

Operating profit was 984 million euro, an increase of + 15.4%, compared with the prior year and + 13.6% at constant exchange rates.

It should be noted that this result includes the benefit of a favorable accounting adjustment of 26 million euro related to the cost of pension plans in the United Kingdom. As a result of new regulations, the Group elected in October 2011 to replace the Retail Price Index (RPI) with the Consumer Price Index (CPI) in the calculation of pension obligations to certain beneficiaries of its retirement plan.

Excluding this favorable accounting adjustment, the Group's operating profit was 958 million euro, an increase of + 12.3% compared to the previous year, or **+ 10.6% at constant exchange rates**.

This increase is a result of:

- a more significant contribution to operating profit from On-site Services activities in the emerging markets, mainly resulting from the acquisition of Puras do Brasil in Brazil
- a very good performance by Benefits and Rewards Services, reflecting higher volumes and productivity improvements
- the favorable impact in the UK of two major sporting events during the year (the 2011 Rugby World Cup and the 2012 Olympics)
- on site productivity gains in North America.

These good performances more than offset the decline in operating profit in Continental Europe resulting from the current economic environment.

Excluding the favorable accounting adjustment for UK pensions, the Group’s consolidated operating margin was 5.3%, a level similar to that of the previous year.

Increase in net income and earnings per share

- Group net income was 525 million euro compared with 451 million euro for the previous year. The + 16.4% increase, or + 14% excluding currency effects, was slightly higher than the increase in operating profit, primarily as a result of the lower effective tax rate. This decrease in the tax rate is explained by the greater weight in the results from activities in countries with lower tax rates.
- **Earnings per share was 3.48 euro, an increase of + 18%,** or + 15.3% at constant rates. The increase is slightly higher than net income as a result of an increase in the number of treasury shares, which are excluded from the calculation of earnings per share.

Dividend

The Sodexo Board of Directors will propose a **dividend of €1.59 per share, an increase of + 8.9%** over the previous year, at the January 21, 2013 Shareholders’ Meeting. This represents a payout ratio of approximately 50%.

A major strength: a solid, cash-generating financial model

Net cash provided by operating activities amounted to more than 1 billion euro, compared to 847 million euro generated in Fiscal 2011. This significant improvement is mainly a result of the increase in operating profit.

This net cash provided by operating activities was utilized to finance:

- net operating investments and client investments of 319 million euro, or 1.7% of revenues
- acquisitions totaling 586 million euro, primarily involving the companies Puras do Brasil in Brazil, Lenôtre in France and Roth Bros in the United States.

As of August 31, 2012, net debt was 639 million euro and represented 21% of Group equity compared with 15% as of August 31, 2011. Gross debt represented only about 2.8 years of operating cash flow (compared to 3.2 years at the end of the previous year).

Subsequent events

Sodexo completed its acquisition of Servi-Bonos, S.A. de C.V. in Mexico on November 2, 2012. Servi-Bonos will be consolidated in the Group's financial statements for ten months in Fiscal 2013.

Servi-Bonos is a leading provider of food and meal vouchers and cards, serving close to 5,000 clients in Mexico through its nationwide network. In 2011, Servi-Bonos generated issue volume (the face value of vouchers and cards multiplied by the number of vouchers and cards issued) of close to 300 million euros.

This acquisition reinforces Sodexo's international leadership in Quality of Life services in the buoyant Mexican growth economy.

Outlook

At the November 6, 2012 Board of Directors meeting, Chief Executive Officer Michel Landel underlined the effectiveness of the Group's long-term strategy, based on a unique range of Quality of Life services, and an unparaleled global network and undisputed leadership in emerging countries.

Michel Landel said that Fiscal 2013 begins with sharply contrasting trends:

On the one hand, the Group benefits from:

- sustained development and growth in Sodexo's activities (in On-site Services and Benefits and Rewards Services) in emerging economies, where the Group continues to strengthen its positions
- important new contract awards, such as with HCR ManorCare, one of the largest chains of nursing homes in the U.S. and a stronger pipeline of prospective clients in North America, notably in Health Care and Seniors
- a differentiated integrated service offering that responds to the increasing demand for mutualized services by major international companies.

At the same time, the current economic environment is weighing on profitability, particularly in Europe.

As a result, for **Fiscal 2013** Sodexo projects **modest growth**[1] **in revenues and operating profit** compared to the previous year, which benefited from specific events (Rugby World Cup, the Olympics and a 53rd week in North America).

1 Excluding currency effects and the favorable accounting adjustment for UK pensions

In this context, Sodexo's management and teams are fully mobilized around specific actions to:

- **accelerate profitable growth** by capitalizing particularly on Sodexo's offers and expertise, by client segment and sub-segment
- **strengthen competitiveness** with a program of **operational efficiency and cost reduction**. During the past three years, the Group has achieved 150 million euros in economies in overheads. The program launched today should allow Sodexo, within three years, to reduce on site operating costs by 0.6% of revenues and lower overhead costs by 0.4% of revenues, improving productivity at all levels. The program's implementation will result in exceptional costs between 130 and 150 million euro over the next 18 months with a positive impact of the same amount in Fiscal 2015 and the following fiscal years.

As a result of the initiatives undertaken and the effectiveness of the Group's strategy, CEO Michel Landel **confirms Sodexo's medium term objectives to:**

- **achieve an average of 7% annual consolidated revenue growth**
- **reach a consolidated operating margin of 6.3% by the end of Fiscal 2015.**

Michel Landel underlined Sodexo's major strengths:

- a potential market estimated at over 800 billion euro
- a unique Quality of Life services offer particularly adapted to respond to changing client needs
- an unparalleled global network covering 80 countries
- undisputed leadership in the emerging markets
- a strong culture and engaged teams
- excellent financial strength
- its independence.

These strengths enable Sodexo to look to the future with confidence and to maintain its investments, particularly in the development of its human resources and the reinforcement of its expertise.

In conclusion, Michel Landel thanked the clients for their loyalty, the shareholders for their confidence and the 420,000 employees for their efforts during Fiscal 2012 year and their daily commitment to improve Quality of Life of our clients and consumers.

The Board of Directors, in turn, has thanked Michel Landel and his team for their continued engagement in fostering Quality of Life.

Analysts briefing

Sodexo will hold a briefing today at 9:00 a.m. at the Capital 8 Conference Center (32, rue Monceau, Paris 8ème) to comment on the Fiscal 2012 results. The briefing also can be accessed via *webcast* on www.sodexo.com

Future financial communications dates

First Quarter Fiscal 2013 revenues	January 9, 2013
General Shareholders' Meeting	January 21, 2013
Fiscal 2012 dividend distribution	February 4, 2013

About Sodexo

Sodexo is the global leader in services that improve Quality of Life, an essential factor in individual and organizational performance. Operating in 80 countries, Sodexo serves 75 million consumers each day through its unique combination of On-site Services, Benefits and Rewards Services and Personal and Home Services. Through its more than 100 services, Sodexo provides clients an integrated offering developed over more than 45 years of experience: from reception, safety, maintenance and cleaning, to foodservices and facilities and equipment management; from Meal Pass, Gift Pass and Mobility Pass benefits for employees to in-home assistance and concierge services. Sodexo's success and performance are founded on its independence, its sustainable business model and its ability to continuously develop and engage its 420,000 employees throughout the world.

Key figures (as of August 31, 2012)

18.2 billion euro consolidated revenue

420,000 employees

20th largest employer worldwide

80 countries

34,300 sites

75 million consumers served daily

9.48 billion euro market capitalization (as of November 7, 2012)

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. The reader is cautioned not to place undue reliance on these forward-looking statements.

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APPENDIX 1
Comments by activity and geographic zone

1. On-site Services

1.1 North America

Revenues

(in millions of euro)	**Fiscal 2012**	Fiscal 2011	**Organic growth**	**Acquisitions**	**Exchange rate effect**	**Total growth**
Corporate	**1,537**	1,312	**+ 6.4%**			
Health Care and Seniors	**2,559**	2,356	**+ 2.7%**			
Education	**2,634**	2,337	**+ 6.3%**			
TOTAL	**6,730**	6,005	**+ 4.9%**	**+ 1.1%**	**+ 6.1%**	**+ 12.1%**

Revenues in North America were 6.7 billion euro. This amount includes an additional week of activity compared with Fiscal 2011 as Sodexo operates on a 52/53-week calendar as is industry practice in North America. The impact of this 53rd week is estimated at 120 million euro for Fiscal 2012, or approximately + 1.9% of the total + 4.9% organic revenue growth.

The acquisition in the United States of Roth Bros, a technical maintenance and energy management company, contributed + 1.1% to overall growth. Integration of this company and implementation of commercial synergies is proceeding according to plan.

Organic growth in **Corporate** increased to + 6.4%, despite the lack of a turnaround in employment at large companies; in addition, foodservices patronage on sites was unchanged. Revenue growth was led by the success of integrated service offers for clients such as Campbell's Soup, General Dynamics, Circuit of the Americas (Texas), the Federal Aviation Administration (Washington, D.C.), General Electric Company and MIT Lincoln Library (Massachusetts).

In Canada, Sodexo won major new Remote Sites contracts with Suncor and Thomson Iron Mines/Bloom Lake.

In **Health Care and Seniors,** organic growth was + 2.7%, reflecting lower client retention, mainly a result of the loss of Ascension Health System and still modest business development. The size and complexity of certain contracts in this client segment tend to result in lengthy tender processes.

Clients that have recently chosen Sodexo include Wesley Willows retirement homes (Illinois), Holy Cross Hospital, Chilton Hospital (New Jersey) and Huntington Medical Hospital (Indiana).

Organic growth in **Education** was + 6.3%, reflecting the contribution of facilities management services contracts won in Fiscal 2011 (particularly Detroit and Lewisville) and increased university restaurant patronage.

Contracts won in Fiscal 2012 included Vermont State College (Vermont), Mount Ida College (Massachusetts), University of Wisconsin-La Crosse (Wisconsin) and California State University-San Marcos (California).

Operating profit

Operating profit was 346 million euro, up + 7.6% compared to the prior year, at constant rates.

On-site productivity gains and tight control of health and benefit plan costs helped to offset pressure from higher food prices and permitted further investments to enhance technical skills and expertise.

Operating margin was stable compared with the previous year, at 5.1%.

1.2 Continental Europe

Revenues

(in millions of euro)	**Fiscal 2012**	Fiscal 2011	**Organic growth**	**Acquisitions**	**Exchange rate effect**	**Total growth**
Corporate	**3,346**	3,183	**+ 2.2%**			
Health Care and Seniors	**1,396**	1,382	**+ 1.4%**			
Education	**904**	908	**+ 0.1%**			
TOTAL	**5,646**	5,473	**+ 1.6%**	**+ 1.6%**	**0%**	**+3.2%**

Revenues in Continental Europe were 5.6 billion euro, with modest organic growth of + 1.6%.

French company Lenôtre, acquired at the end of September 2011, contributed 1.6% to overall revenue growth. The process of integrating the Lenôtre teams' prestigious *savoir-faire* into Sodexo's range of foodservices is going well, although the current economic environment is weighing on the catering business, which experienced slower growth than in Fiscal 2011.

In **Corporate,** organic growth was + 2.2% compared to + 4.4% the previous year.

This performance was marked by contrasting situations:

- On the one hand, the effectiveness of the Group's strategic positioning and integrated services offers helped to drive business development, contributing to its success with major international groups such as Unilever, Eli Lilly, Alcatel-Lucent and AstraZeneca in several countries, as well as winning contracts such as Deutsche Telekom in Germany, and Gazprom in Russia.
- At the same time, there was a pronounced decline in on-site activity during the latter part of the fiscal year. Efforts by clients to find additional cost savings and reduce headcount, along with lower consumer spending, weighed increasingly on revenue growth in several countries, particularly France and the Netherlands.

In **Health Care and Seniors,** organic revenue growth was + 1.4%, reflecting modest business development and an increasingly selective approach to new business in Southern Europe.

Business wins included Ziekenhuis Gelderse Vallei in the Netherlands, SARquavitae in Spain and Assistance Publique-Hôpitaux de Paris (CHU Louis Mourier and Hôpital Antoine Béclère) and Institut National Marcel Rivière in France.

Education revenues remained flat compared with the previous year, following the Nice city authorities' decision to return the city's schools to self-operation.

During the fiscal year, Sodexo signed a number of new contracts, for example with Utrecht University in the Netherlands, Universidad Politècnica de Catalunya in Spain and several public schools in France such as those in Saint-Cloud, Garges-lès-Gonesse and Livry-Gargan in the Paris suburbs.

Operating profit

Operating profit was 215 million euro, representing a decline of - 12.6% compared to the previous year, at constant rates. Operating margin narrowed to 3.8% in Fiscal 2012 from 4.5% in Fiscal 2011. The decrease resulted mainly from pressure from clients seeking to cut costs in an uncertain economic environment.

1.3 United Kingdom and Ireland

Revenues

(in millions of euro)	**Fiscal 2012**	Fiscal 2011	**Organic growth**	**Acquisitions**	**Exchange rate effect**	**Total growth**
Corporate	**1,155**	895	**+ 21.3%**			
Health Care and Seniors	**254**	228	**+ 3.5%**			
Education	**134**	122	**+ 0.4%**			
TOTAL	**1,543**	1,245	**+ 16%**	**+ 3.0%**	**+ 5.0%**	**+ 24%**

Revenues of 1.5 billion euro included 207 million euro from the two major sporting events that took place during the year, the Rugby World Cup in October 2011 and the London Olympics in 2012. Sodexo was a major service provider at these events, in partnership with Mike Burton Group.

These two events accounted for most of the strong + 21.3% growth in **Corporate** revenues. Excluding their impact, revenues would have been up by around +0.9%. The ramp up of facilities management offers and an extension of the range of services offered in Justice Services more than offset a decrease in foodservices volume.

For the first time in two years, Sodexo reported positive organic growth in **Health Care and Seniors**, which increased + 3.5%, a result in particular of the expansion of services provided to North Staffordshire University Hospital.

Education accounts for less than 10% of Sodexo's revenues in the United Kingdom and Ireland. The rate of organic revenue growth reflects the ongoing highly selective approach to new business. Recently signed new contracts include Brunel University and Oasis Community Learning.

The facilities management business of WS Atkins in the United Kingdom was acquired in December 2011.

Operating profit

Operating profit[1] was 80 million euro, up + 28.2%, at constant rates. This sharp rise reflects the positive impact of the business volume generated by the major sporting event contracts during the year and on-site productivity gains achieved across all segments.

Operating margin[1] was 5.2% compared to 4.7% the previous year.

1 Excluding the favorable accounting adjustment of 26 million euro for UK pension costs

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

Revenues

(in millions of euro)	**Fiscal 2012**	Fiscal 2011	**Organic growth**	**Acquisitions**	**Exchange rate effect**	**Total growth**
Corporate	**3,302**	2,369	**+ 15.9%**			
Health Care and Seniors	**162**	141	**+ 13.5%**			
Education	**113**	113	**- 2.1%**			
TOTAL	**3,577**	2,623	**+ 15.0%**	**+ 20%**	**+ 1.3%**	**+ 36.3%**

With revenues of 3.6 billion euro, the Rest of the World region (Latin America, Middle East, Asia, Africa, Australia and Remote Sites) accounted for 20% of On-site Services revenues in Fiscal 2012 compared to less than 10% in Fiscal 2005.

Puras do Brasil, acquired in September 2011, contributed approximately 20% to total revenue growth. The acquisition doubled On-site Services revenue in Brazil, to approximately 1 billion euro, and made Sodexo the leader in this high potential market. During the year, the Group devoted considerable time and energy to the integration of the Brazilian company's teams.

Organic revenue growth in the Rest of the World continued at a high level of + 15%, similar to the previous year, despite some signs in the second half of the fiscal year of a reduction in activity among industrial clients, notably in Brazil.

Organic revenue growth in **Corporate** was + 15.9%, primarily a result of the fast pace of business development in Fiscal 2011, improved client retention rates in some countries and sustained mining industry momentum in Latin America, Australia and Africa.

During the year:

- Sodexo won a number of major contracts in Latin America with prestigious companies such as BHP Billiton Minera Escondida in Chile, Schlumberger in Colombia and Dixie Tioga-Bemis and Vale Fertilizantes in Brazil;
- in China and India, where Sodexo is the undisputed leader, the Group added Alstom-Hydro in China, Cipla Vikhroli Lakshmi Machine Works and Igate Global Solutions Ltd in India to its client portfolio;
- in Remote Sites, companies such as Rio Tinto in Guinea Conakry and Hail Creek in Australia also selected Sodexo.

Sodexo's global expertise in **Health Care and Seniors** continued to pay off, illustrated by **+ 13.5%** organic growth. Among the year's new clients are Fortis Health Management in India, Singapore Hospital and Clinica Shaio in Colombia.

Operating profit

Operating profit rose sharply compared to the previous year, to 126 million euro. The + 46% increase (excluding currency effects) was mainly attributable to the contribution from Puras do Brasil. Since Fiscal 2005, Rest of the World operating profit has nearly quadrupled.

Operating margin was 3.5% in Fiscal 2012 compared to 3.2% the previous year.

2. Benefits and Rewards Services

Issue volume

(in millions of euro)	**Fiscal 2012**	Fiscal 2011	**Organic growth**	**Acquisitions**	**Exchange rate effect**	**Total growth**
Latin America	**7,016**	6,226	**+ 17.4%**			
Europe and Asia	**7,730**	7,515	**+ 4.0%**			
TOTAL	**14,746**	13,741	**+ 10.1%**	**0%**	**- 2.8%**	**+ 7.3%**

In **Latin America,** the high + 17.4% level of organic growth in issue volume resulted mainly from the continued increase in the number of beneficiaries and in voucher face values in high potential markets such as Brazil where penetration rates still remain low.

In **Europe and Asia,** organic issue volume growth was driven by the increase in issue volume in Belgium (ONEM and Eco Pass), in France and in Turkey, which more than offset the impact of regulatory changes in Hungary, which took effect January 1, 2012 and where a higher tax advantage is provided to beneficiaries of service vouchers issued by a Hungarian company.

Revenues

(in millions of euro)	**Fiscal 2012**	Fiscal 2011	**Organic growth**	**Acquisitions**	**Exchange rate effect**	**Total growth**
Latin America	**418**	377	**+ 15.2%**			
Europe and Asia	**337**	340	**+ 0.9%**			
TOTAL	**756**	717	**+ 8.5%**	**0%**	**- 3.1%**	**+ 5.4%**

Organic **revenue** growth was + 8.5%, up from + 6.9% in Fiscal 2011.

In **Latin America,** business remained brisk with organic revenue growth reaching + 15.2% despite the steady decline in Brazilian interest rates during the year and some pressure on commissions.

Among the year's new clients are BASF and the Rio de Janeiro city prefecture in Brazil, TIMSA in Mexico and G2 Seismic and Kenvitur in Colombia.

In **Europe and Asia,** the + 0.9% net growth in revenues reflected higher Eco Pass issue volumes in Belgium, offset by the negative impact of the regulatory change in Hungary.

The difference between issue volume and revenue growth rates in Europe reflects the increase in personal services voucher issue volume under the contract with the Belgian Bureau of Labor (ONEM), which does not impact revenues in the same proportions due to the contract's size and model.

Recent contract wins include Belgacom in Belgium and PSA Peugeot Citroën in Slovakia.

Operating profit

Benefits and Rewards Services operating profit totaled 290 million euro, an increase of nearly + 15% compared to the previous year, excluding currency effects. This very good performance reflects the operating leverage from increased issue volume and tight control over operating costs.

Operating margin was 38.4% compared to 36.5% the previous year.

APPENDIX 2
Financial statements for Fiscal 2012
(audited)

Income statement

(in euro million)	Fiscal 2012 €M	Fiscal 2012 % Revenues	Variation	Fiscal 2011 €M	Fiscal 2011 % Revenues
Revenue	**18,236**	**100%**	**13.6%**	16,047	100%
Cost of sales	(15,396)	- 84.4%		(13,529)	- 84.3%
Gross profit	**2,840**	**15.6%**	**12.8%**	2,518	15.7%
Sales department costs	(260)	- 1.4%		(242)	- 1.5%
General and administrative costs	(1,558)	- 8.6%		(1,408)	- 8.8%
Other operating income	15			10	
Other operating expenses	(53)	- 0.3%		(25)	- 0.2%
Operating profit before financing costs	**984**	**5.4%**	**15.4%**	853	5.3%
Financial income	65	0.4%		57	0.4%
Financial expenses	(231)	- 1.3%		(204)	- 1.3%
Share of profit of associates	18	0.1%		15	0.1%
Profit before tax	**836**	**4.6%**	**15.9%**	721	4.5%
Income tax expense	(286)	- 1.6%		(250)	- 1.6%
Profit for the period	**550**	**3.0%**	**16.7%**	471	2.9%
Minority interests	25	0.1%		20	0.1%
Group profit for the period	**525**	**2.9%**	**16.4%**	451	2.8%
Earnings per share (€)	3.48			2.95	

Consolidated Balance Sheet

ASSETS (in euro million)	**August 31, 2012**	August 31, 2011
Non-current assets		
Property, plant and equipment	**574**	513
Goodwill	**5,031**	4,283
Other intangible assets	**563**	492
Client investments	**296**	222
Associates	**81**	70
Financial assets	**133**	115
Derivative financial instruments	**26**	0
Other non-current assets	**15**	14
Deferred tax assets	**169**	153
Total non-current assets	**6,888**	5,862
Current assets		
Financial assets	**4**	9
Derivative financial instruments	**1**	2
Inventories	**296**	252
Income tax receivable	**96**	72
Trade receivable	**3,445**	3,142
Restricted cash and financial assets related to the Benefits and Rewards activity	**609**	622
Cash and cash equivalents	**1,451**	1,448
Total current assets	**5,902**	5,547
Total assets	**12,790**	11,409

EQUITY AND LIABILITIES (in euro million)	**August 31, 2012**	August 31, 2011
Shareholders' equity		
Capital	**628**	628
Share premium	**1,109**	1,109
Consolidated reserves and undistributed income	**1,297**	798
Total Group shareholders' equity	**3,034**	2,535
Non-controlling interests	**35**	30
Total shareholders' equity	**3,069**	2,565
Non-current liabilities		
Borrowings	**2,550**	2,262
Employee benefits	**381**	281
Derivative financial instruments	**2**	1
Other liabilities	**222**	190
Provisions	**105**	62
Deferred tax liabilities	**161**	150
Total non-current liabilities	**3,421**	2,946
Current liabilities		
Bank overdraft	**15**	23
Borrowings	**136**	152
Derivative financial instruments	**23**	10
Income tax	**130**	120
Provisions	**41**	47
Trade and other payables	**3,422**	3,125
Vouchers payable	**2,533**	2,421
Total current liabilities	**6,300**	5,898
Total liabilities and equity	**12,790**	11,409

Consolidated statement of cash flow

(in euro million)	Fiscal 2012		Fiscal 2011
Operating activities			
Operating profit before financing costs	**984**		**853**
Non cash items			
Depreciations	**353**		244
Provisions	**(9)**		(9)
Losses (gains) on disposals and other, net of tax	**16**		15
Dividends received from associates	**16**		**13**
Change in working capital from operating activities	**56**		**100**
Change in inventories	**(7)**		(32)
Change in client and other accounts receivable	**(87)**		(235)
Change in suppliers and other liabilities	**(10)**		261
Change in Service Vouchers and Cards to be reimbursed	**157**		170
Change in financial assets related to the Benefits and Rewards activity	**3**		(64)
Interest paid	**(160)**		(144)
Interest received	**20**		14
Income tax paid	**(258)**		(239)
Net cash provided by operating activities	**1,018**		**847**
Investing activities			
Tangible and intangible fixed assets investments	**(308)**		(242)
Fixed assets disposals	**28**		22
Change in Client investments	**(39)**		(22)
Change in financial investments	**20**		12
Acquisitions of consolidated subsidiaries	**(586)**		(2)
Disposals of consolidated subsidiaries	**3**		0
Net cash used in investing activities	**(882)**		**(232)**
Financing activities			
Dividends paid to parent company shareholders	**(221)**		(208)
Dividends paid to minority shareholders of consolidated companies	**(26)**		(21)
Treasury shares	**(25)**		(161)
Increase/Decrease in capital	**1**		2
Acquisition of non-controlling interests	**(15)**		(3)
Proceeds from borrowings	**238**		429
Repayment of borrowings	**(131)**		(610)
Net cash provided by (used in) financing activities	**(179)**		**(572)**
INCREASE IN NET CASH AND CASH EQUIVALENTS	**(43)**		**42**
Net effect of exchange rates on cash	**55**		(86)
Cash and cash equivalents, as of beginning of period	**1,424**		1,468
CASH AND CASH EQUIVALENTS, AS OF END OF PERIOD	**1,436**		**1,424**

Segment information: revenue

Revenue (in euro million)	**Fiscal 2012**	Fiscal 2011	**Organic growth [1]**	Exchange rate variation[2]	External Growth	**Variation at current rate**
On-site Services						
North America	**6,730**	6,005	**+ 4.9%**	+ 6.1%	+ 1.1%	**12.1%**
Continental Europe	**5,646**	5,473	**+ 1.6%**		+ 1.6%	**3.2%**
UK and Ireland	**1,543**	1,245	**+ 16.0%**	+ 5.0%	+ 3.0%	**24.0%**
Rest of the World	**3,577**	2,624	**+ 15.0%**	+ 1.3%	+ 20.0%	**36.3%**
Total	**17,496**	15,347	**+ 6.3%**	+ 3.0%	+ 4.7%	**14.0%**
Benefits and Rewards Services						
	756	717	**+ 8.5%**	- 3.1%	+ 0.1%	**5.4%**
Elimination	**- 16**	- 17				
Total	**18,236**	16,047	**+ 6.5%**	+ 2.7%	+ 4.4%	**13.6%**

1 Organic growth: revenue growth, at constant scope of consolidation and excluding exchange rate effects.

2 It should be noted that, unlike 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 Fiscal 2012 was 1.3131.

Segment information: operating profit

Operating profit (in euro million) Before corporate expenses	**Fiscal 2012**	**Fiscal 2011**	**Change**
On-site Services			
North America	**346**	304	**+ 13.8%**
Continental Europe	**215**	247	**- 13.0%**
UK and Ireland	**106**	59	**+ 79.7%**
Rest of the World	**126**	84	**+ 50.0%**
Benefits and Rewards Services	**290**	**262**	**+ 10.7%**
Headquarters	**- 83**	- 86 [1]	- 3.5%
Elimination	**- 16**	- 17	- 5.9%
TOTAL	**984**	**853**	**+ 15.4%**

Revenue

On-site Services by segment

Consolidated Group

(in euro million)	Fiscal 2012	Fiscal 2011	Organic growth
Corporate	**9,340**	7,759	**+ 9.3%**
Health Care and Seniors	**4,371**	4,107	**+ 2.7%**
Education	**3,785**	3,481	**+ 4.2%**
TOTAL	**17,496**	15,347	**+ 6.3%**

North America

(in euro million)	Fiscal 2012	Fiscal 2011	Organic growth
Corporate	**1,537**	1,312	**+ 6.4%**
Health Care and Seniors	**2,559**	2,356	**+ 2.7%**
Education	**2,634**	2,337	**+ 6.3%**
TOTAL	**6,730**	6,005	**+ 4.9%**

Continental Europe

(in euro million)	Fiscal 2012	Fiscal 2011	Organic growth
Corporate	**3,346**	3,183	**+ 2.2%**
Health Care and Seniors	**1,396**	1,382	**+ 1.4%**
Education	**904**	908	**+ 0.1%**
TOTAL	**5,646**	5,473	**+ 1.6%**

United Kingdom and Ireland

(in euro million)	Fiscal 2012	Fiscal 2011	Organic growth
Corporate	**1,155**	895	**+ 21.3%**
Health Care and Seniors	**254**	228	**+ 3.5%**
Education	**134**	122	**+ 0.4%**
TOTAL	**1,543**	1,245	**+ 16.0%**

Rest of the World

(in euro million)	Fiscal 2012	Fiscal 2011	Organic growth
Corporate	**3,302**	2,369	**+ 15.9%**
Health Care and Seniors	**162**	141	**+ 13.5%**
Education	**113**	113	**- 2.1%**
TOTAL	**3,577**	2,623	**+ 15.0%**

APPENDIX 3:
Selection of new clients - Fiscal 2012

On-site Services

Corporate

Agilent Technologies International Pvt. Ltd, Gurgaon, Haryana, India (1,100 people)
Alcatel, France (10 sites), India, Eastern Europe
Alstom Hydro Co. Ltd., Tianjin, China (2,000 people)
AstraZeneca China, Shanghai, China (700 people)
AstraZeneca, multi-sites in the UK and Sweden
Bayer Materialscience, Shanghai, China (2,000 people)
Carré Champerret, Levallois-Perret, France (1,000 people)
Cipla, Mumbai, India (2,000 people)
iGATE Global Solutions Ltd., Bangalore, India (3,500 people)
Itap/Bemis, Sao Paulo, Brazil (4,000 people)
Lakshmi Machine Works, Coimbatore, India (5,200 people)
Mattel Toys Technical Consultancy, Shenzhen, China (1,000 people)
MEAG Munich Ergo, Brussels, Belgium (400 people)
Natixis, Paris / Charenton le Pont, France (2,420 people)
Siemens, 2 sites in Bogota, Colombia (1,700 people)
State Street Corporation, 11 sites in Massachusetts, U.S. (13,000 people)
Tasco Inland Australia Pty Ltd., Longwarry, Australia (1,000 people)
Tour Cristal, Paris, France (830 people)
Tour Prisma, Paris La Défense, France (750 people)
Unilever, 70 sites (15 European countries)
Vale Fertilizantes, Cajati, Cubatao and Araxa, Brazil (4,600 people)
ZAC des Gaulnes, Jonage, France (550 people)

Defense

Armée Française, Zayed military center, Abu Dhabi, United Arab Emirates (350 people)
Federal Aviation Administration, Washington, D.C., U.S. (5,000 people)

Health Care and Seniors

Association de Parents d'Enfants Inadaptés, Douai, France (1,500 people)
Bassett Medical Center, New York, U.S. (180 beds)
Beijing Anding Hospital, Beijing, China (900 people)
Central Maine Medical Center, Maine, U.S. (130 beds)
Centre Médical MGEN, Evian, France (180 beds)
CHU Louis Mourier, Colombes, France (600 beds)
Commune de Niederanven, Luxembourg (150 people)
Fortis Health Management Ltd., Gurgaon, India (150 people)
Fundación Clinica Shaio, Bogota, Colombia, (200 beds)
Fuxing Hospital, Beijing, China (900 people)
Grand Traverse Pavilions, Michigan, U.S. (250 beds)
Holy Cross Hospital, Florida, U.S. (575 beds)
Hôpital Antoine Béclère, Clamart, France (500 beds)
Institut National Marcel Rivière, La Verrière, France (250 beds)
KK Women's & Children's Hospital, Singapore (1,000 people)
Laredo Medical Center, Texas, U.S. (300 beds)
Regions Hospital, Minnesota, U.S. (425 beds)
Runnells Specialized Hospital, New Jersey, U.S. (375 beds)
West Boca Medical Center, Florida, U.S. (185 beds)

Education

California State University, California, U.S. (10,000 students)
Centennial College, 4 campuses in Toronto, Canada (40,000 students)
Clifton Hall School, Edinburgh, UK (220 students)
Concordia University, Michigan, U.S. (700 students)
Greater Amsterdam School District, New York, U.S. (3,800 students)
International School of Macau, Hong Kong, China (1,000 students)
Jakarta International School, Indonesia (2,500 students)
Lake Zurich Community School District, Illinois, U.S. (6,000 students)
Mairie de Corbeil-Essonnes, France (3,200 students)
Mairie de Livry-Gargan, France (3,800 students)
Mairie de Saint-Cloud, France (2,000 students)
Mount Ida College Newton Centre, Massachusetts, U.S. (1,500 students)
Peoria School District 150, Illinois, U.S. (13,500 students)
Saginaw Public Schools, Saginaw, Michigan, U.S. (9,500 students)
Shanghai American School - PuXi Campus, Shanghai, China (360 students)
Thornton Township High Schools District 205, South Holland, U.S. (5,700 students)
Traiteur Romain Sergeant, Beernem, Belgium (5,000 students)
Troy City School District, Michigan, U.S. (12,340 students)
University of Utrecht, Utrecht, Netherlands (30,000 students)
University of Tennessee Health Science Center, Tennessee, U.S. (3,000 students)
University of Wisconsin-La Crosse, Wisconsin, U.S. (10,000 students)
Ville de Garges-lès-Gonesse, France (2,300 students)
Ville de Châlons-en-Champagne, France (1,800 students)
Yakima School District 7, Washington, U.S. (15,000 students)

Remote Sites

Aceriaz Paz del Rio Belencito – Bog, Belencito (3 sites), Colombia (1,450 people)
Ameri-Tech Industries, North Dakota, U.S. (200 people)
BMA Coal Pty Ltd., Queensland, Australia (470 people)
Bob-Son, Monts Otish, Canada (150 people)
Central Hidroeléctrica El Paso – Copiapo, San Fernando, Chile (1,200 people)
Chesapeake Oilfield Services, Oklahoma, U.S. (300 people)
Descon Engineering, Ruwais, Abu Dhabi, United Arab Emirates (1,000 people)
Eskan, Mistissini, Canada (150 people)
Gazprom, Novy Urengoï, Russia (2,000 people)
Halul Offshore Services Company W.L.L., Offshore, Qatar (760 people)
Hochschild Mining, 3 sites in Peru (3,130 people)
Hydro Quebec, Rivière au Tonnerre, Canada (200 people)
Imperial Metals, British Columbia, Canada (400 people)
Interconexión Eléctrica S.A., 3 sites in Colombia (700 people)
Larsen & Toubro Electromech, Lekwhair, Oman (1,500 people)
Noble Corporation, 3 sites in the Gulf of Mexico and India (380 people)
Petrofac, Offshore, 2 sites in the North Sea, Scotland (310 people)
Rio Tinto Coal Australia, Queensland, Australia (700 people)
Rio Tinto, Simandou Mountains, Prefecture de Beyla, Guinea (600 people)
Samsung, Abu Dhabi, United Arab Emirates (4,500 people)
Schlumberger, 8 sites in Colombia (140 people)
Seadrill, Gulf of Mexico, U.S. (180 people)
Tata steel, Schefferville, Canada (150 people)
Teniz Burgylau, Offshore, Caspian Sea, Kazakhstan (100 people)
Transocean Ltd., Offshore, Kakinada, India (100 people)
Vantage Drilling, Gulf of Mexico, U.S. (180 people)

Sports and Leisure

Chase Center, North Carolina, U.S.
Circuit of the Americas, Texas, U.S. (capacity: 120,000 people)
Nordens Ark, Lysdekil, Sweden (100,000 visitors per year)
Parc de Sainte Croix, Rhodes, France (180,000 visitors per year)

Benefits and Rewards Services

Europe

Administration of Timisoara, Romania (165 beneficiaries)
Belgacom, Belgium (16,000 beneficiaries)
BNP-Paribas, Spain (650 beneficiaries)
Bulgarian Posts EAD, Sofia, Bulgaria (13,000 beneficiaries)
Canon, Spain (360 beneficiaries)
Catalunya Banc S.A., Spain (850 beneficiaries)
Christine Confection, Tunisia (1,500 beneficiaries)
Continental, Tunisia (350 beneficiaries)
Crédit du Nord, France (1,600 beneficiaries)
National Railway Infrastructure Company, Sofia, Bulgaria (14,000 beneficiaries)
Office National de l'Aviation Civile et des Aéroports, Tunisia (4,400 beneficiaries)
Philip Morris, Russia (450 beneficiaries)
Planeta Corporación, Spain (170 beneficiaries)
PSA Peugeot Citroën, Slovakia (3,500 beneficiaries)
Sacyr, Spain (1,000 beneficiaries)
Volkswagen (Dogus Holding), Turkey (200 beneficiaries)

Latin America

BASF, Sao Paulo, Brazil (4,500 beneficiaries)
Bice Vida, Chile (375 beneficiaries)
CCSI CompuCom, Mexico (950 beneficiaries)
Clariant, Mexico (1,620 beneficiaries)
Engineering Hydrosystem Ltd., Brazil (1,150 beneficiaries)
Foundation for Public Health, Brazil (1,200 beneficiaries)
Kenvitur, Colombia (1,000 beneficiaries)
Municipality of Pedernales, Venezuela (500 beneficiaries)
Prefecture of the city of Rio de Janeiro, Brazil (6,000 beneficiaries)
Terpel, Colombia (200 beneficiaries)
TIMSA, Mexico (1,800 beneficiaries)

Asia

Bharti AXA Life Insurance, India (150 beneficiaries)
China Construction Bank, Shanghai Pudong Branch, China (1,400 beneficiaries)
Commercial Aircraft Corporation of China, China (2,000 beneficiaries)
HDFC Life Insurance, India (300 beneficiaries)
Motortrade Nationwide Corp., Philippines (4,800 beneficiaries)
Shanghai Pudong Development Bank, China (115 beneficiaries)

APPENDIX 4
Major recognitions

- In North America, Sodexo received the prestigious **2012 Catalyst Award** that recognizes initiatives to promote the recruitment, development, and professional advancement of women. The criteria examined include management involvement, employee engagement, innovation, communication and measurable results.

- Sodexo was once again included in FORTUNE magazine’s **"Most Admired Companies"** list, ranking fourth in the “Diversified Outsourcing Services” category.

- Sodexo was named "Global Sustainability Industry Leader" for the eighth year in a row in the **Dow Jones Sustainability Index (DJSI)**, for its industry sector, "Restaurants, Hotels, Bars and Recreational Services." Sodexo is a member of DJSI World and DJSI STOXX since 2005.

- For the fifth year in a row, Sodexo was selected for inclusion in the prestigious Sustainable Asset Management (SAM) **“2012 Sustainability Yearbook”** for its commitment to economic, social and environmental responsibility, and was recognized as **“SAM 2012 Sector Leader”** and "**SAM 2012 Gold Class,”** thus receiving the highest distinction in its sector.

- **Sodexo was reintegrated into the Aspi Eurozone index** of the 120 best companies based on sustainable development, human rights, human resources, community involvement, business behavior and corporate governance criteria. Vigeo also published its list of the top 15 companies in Sodexo’s industry category at the beginning of the fiscal year. Sodexo was ranked first, obtaining the highest scores for the human resources, human rights, community involvement and business behavior criteria. These awards confirm Sodexo's commitment to corporate social and environmental responsibility, underpinned by the "Better Tomorrow Plan" strategic roadmap.