PRESS RELEASE

Sodexo: Solid results in the first half of Fiscal 2014

- **Organic revenue growth of 2.4%:**
  - Increased demand for Facilities Management services which represent more than a quarter of Group revenues today
  - Acceleration in growth in On-site Services revenue in North America
  - Excellent development of Benefits and Rewards Services activity, with revenue up 15.1%
- **Operating profit[1] up 11.4% excluding the currency effect and operating margin[1] up +0.4 points as reported and +0.5 points excluding the currency effect**
- **Profit attributable to equity holders of the parent up +17.8% and +25.8% excluding the currency effect**
- **Fiscal 2014 objectives confirmed**

Issy-les-Moulineaux, April 17, 2014 - Sodexo (NYSE Euronext Paris FR 0000121220-OTC : SDXAY). At the Board of Directors' meeting on April 15, 2014, chaired by Pierre Bellon, Sodexo Chief Executive Officer Michel Landel presented the Group's performance for the first half of Fiscal 2014 which ended on February 28, 2014.

Financial performance for the first half of Fiscal 2014:

(in millions of euro)	First Half Fiscal 2014 (as of February 28, 2014)	First Half Fiscal 2013 (as of February 28, 2013)	Change (excluding currency effect)	Currency effect[2]	Total change
Revenues	**9,283**	**9,460**	**+2.8%**	**-4.7%**	**-1.9%**
Organic growth	*+2.4%*	*+2.1%*			
Operating profit before exceptional expenses[1]	**559**	**533**	+11.4%	-6.5%	+4.9%
Operating margin before exceptional expenses[1]	**6.0%**	**5.6%**			
Exceptional expenses[1]	(30)	(50)			
Operating profit (reported)	**529**	483	+16.4%	-6.9%	+9.5%
Effective tax rate	**36%**	39%			
Profit attributable to equity holders of the parent	**278**	**236**	**+25.8%**	**-8%**	**+17.8%**

1 *Operating profit and operating margin before exceptional expenses related to the program to improve operational efficiency and reduce costs in Fiscal 2013 and Fiscal 2014 and after share of profit of companies consolidated by the equity method that directly contribute to the Group's business.*

2 *The currency effect is determined by applying the average exchange rates for the first half of the previous fiscal year to the amounts for the first half of the current fiscal year.*

Commenting on these figures,
Sodexo CEO Michel Landel said:

"Sodexo performed well in the first half of this fiscal year. Benefits and Rewards Services delivered an excellent performance, with organic revenue growth of 15.1%. Our initiatives to make the Group more competitive are producing results, particularly in On-site Services in Europe and the Rest of the World region. These developments led to an 11% improvement in first-half operating profit excluding the currency effect and we are confirming our objectives for Fiscal 2014."

Revenues

Consolidated revenues for the first half of Fiscal 2014 were 9.3 billion euro. The decrease of 1.9% from the prior period included organic growth of 2.4% and a positive impact of 0.4% from changes in consolidation scope, offset by a sharply negative currency effect of 4.7%.

Organic growth

Organic revenue growth in the first half of Fiscal 2014 was 2.4%.

On-site Services revenues totaled 8.9 billion euro. Organic growth of 1.9% was consistent with the prior year period. Revenues from Facilities Management services, which represented over one quarter of the consolidated total, continued to grow significantly, and more quickly than foodservices revenues, confirming again the relevance of the Group's strategic positioning.

Organic growth in **Benefits and Rewards Services** of 15.1% reflected continued strong momentum in Latin America and accelerated growth in Europe and Asia compared with the second half of Fiscal 2013.

Operating profit

Reported operating profit was 529 million euro, up 9.5% at current exchange rates and 16.4% excluding the currency effect.

- At the beginning of Fiscal 2013, Group senior management launched a program to improve operational efficiency and reduce costs. The objective of the program is to reduce on-site operating costs and achieve administrative cost savings, with annual savings increasingly affecting operating profit in Fiscal 2014 and Fiscal 2015. During the first half of Fiscal 2014 exceptional costs of 30 million euro were recognized in connection with this program, as follows:
  - exceptional expenses which reduced gross margin: 13 million euro related to asset impairments and the cost of terminating certain under-performing contracts or activities; and
  - exceptional expenses recorded in overheads: 17 million euro related in particular to various cost-cutting measures and restructuring costs in many countries worldwide.

Operating profit before these exceptional expenses was 559 million euro in the first half of Fiscal 2014, an increase of 4.9% from the prior period at current currency exchange rates and 11.4% excluding the currency effect.

This good performance and growth in On-site Services of more than 25% in Continental Europe and 17% in the Rest of the World (Latin America, Africa, Middle East, Asia, Australia and Remote Sites) reflects increasing demand from clients for integrated services, as well as rigorous management of operating costs.

In addition, higher issue volumes and productivity gains from stringent cost control led to an increase in operating profit for the Benefits and Rewards Services of 17%.

The consolidated operating margin[1] was 6.0% versus 5.6% in the first half of Fiscal 2013, an increase of 40 basis points, or 50 basis points excluding currency effects.

Profit attributable to equity holders of the parent

Profit attributable to equity holders of the parent totaled 278 million euro, up 17.8% including a negative impact from currency exchange rates. However, it should be noted that exchange rate fluctuations do not generate operational risks, because each subsidiary bills its revenues and incurs its operating expenses in the same currency.

In the first half of Fiscal 2014, the Group continued to apply the method described in Appendix 3 for converting the financial statements of its Venezuelan subsidiaries into euro. The exchange rate used was 1 U.S. dollar = 10.2 bolivars (or 1 euro = 14.1 bolivars).

Cash flows and debt ratio

Net cash flow for the first half of Fiscal 2014 was a negative 129 million euro. The seasonality of the Group's activities as well as the payment of Sodexo SA's dividend (247 million euro in February 2014) generally lead to negative cash flow in the first half of the year before improving in the second half to generate positive cash flow for the full year.

Net debt of 674 million euro at February 28, 2014 represented 23% of consolidated shareholders' equity as compared to 33% at February 28, 2013, demonstrating Sodexo's robust financial situation.

Debt refinancing and credit facility reimbursement

On March 4, 2014, after the end of the first half of Fiscal 2014, Sodexo borrowed 1.1 billion U.S. dollars through a private placement with U.S. investors (U.S. Private Placement) with maturities of 5, 7, 10, 12, and 15 years. This new financing allowed Sodexo to:

- refinance the Group's 500 million euro bond issue that matured on March 28, 2014 as well as 290 million euro drawn down on its syndicated loan;
- further extend the maturity of its borrowings; and
- rebalance the currency profile of its borrowings.

[1] *Operating margin before exceptional expenses related to the program to improve operational efficiency and reduce costs.*

Economic, social and environmental responsibility

Sodexo has again been recognized for its commitment to economic, social and environmental responsibility:

- Sodexo is among the "**World's Most Admired Companies**" according to Fortune Magazine's 2014 corporate reputation survey, which ranks close to 700 companies from 30 countries on nine criteria, from social responsibility to global competitiveness.
- In February 2014, for the seventh consecutive year Sodexo confirmed its leadership in corporate social responsibility when it was classified as the industry's best-performing company in the benchmark RobecoSAM "**Sustainability Yearbook 2014**". The Group was given the award for **Industry Leader** as well as a **Gold Class** sustainability award.
- In November 2013, Sodexo received the Safety Award at the **2013 Energy Institute** ceremony for its Well Track program aimed at helping to improve the health and well-being of people who work offshore. Well Track is an innovative integrated services program that combines On-site Services, Benefits and Rewards Services, and Personal and Home Services. Designed in collaboration with the University of Aberdeen, it provides offshore employees with the opportunity to take control of their health with the support of specialist coaches, and to reduce the stress factors resulting from rotations between home life and life offshore.
- In December 2013, Sodexo in Colombia was honored with the **"*Premio Portafolio 2013*"**, given by the Colombian President. *Premio Portafolio* is the country's most prestigious award granted to institutions and individuals that promote Colombia's social, economic, environmental or academic development. Sodexo was recognized for its contribution to the peace process, recruiting people who had formerly taken part in the armed conflict.

Outlook

At the April 15, 2014 Board of Directors' meeting, Michel Landel reminded the Board of the relevance of the Group's long-term strategy, founded on a unique Quality of Life Services offering, a global network in 80 countries and uncontested leadership in emerging countries.

During this meeting he confirmed his confidence in the Group's ability to meet its medium-term objectives and noted that senior management is now focusing more than ever on enhancing competitiveness. In addition, the initiatives pursued for several years will enable Sodexo to continue its investments, in particular in human resources, to support its growth and accelerate its transformation.

Strengthened by its first-half performance, Sodexo confirms its objectives for the current fiscal year, namely:

- **Organic revenue growth between 2.5% and 3%**;
- **Around 11% growth in operating profit** (at constant exchange rates and excluding the impact of the exceptional costs related to the program to improve operational efficiency).

Accordingly the Group is targeting **an operating margin of 5.6%** for Fiscal 2014 (at Fiscal 2013 exchange rates), an increase of 0.4% compared with Fiscal 2013.

In addition and for Fiscal 2015, Sodexo is targeting a consolidated operating margin of 6% at Fiscal 2013 exchange rates.

Conference Call

Sodexo will hold a conference call (in English) today at 8:30 am (French time) to comment on the results for the first half of Fiscal 2014. This presentation can be followed live via webcast on www.sodexo.com.

The **press release, presentation and webcast will be available on the Group's website www.sodexo.com**, under the "Latest News" section, and the "Finance - Financial Results" section.
A recording of the conference call will be available until April 30, 2014 by dialing **+ 44 (0) 1452 550 000**, followed by the passcode **86 18 486**.

Financial calendar

Nine months Fiscal 2014 revenues	July 9, 2014
Fiscal 2014 results	November 14, 2014
Annual Shareholders' Meeting, Fiscal 2014	January 27, 2015

About Sodexo

Founded in 1966 in Marseille by Pierre Bellon, 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, 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 business and financial model and its ability to continuously develop and engage its 428,000 employees throughout the world.

Key figures (as of August 31, 2013)

18.4 billion euro in consolidated revenues
428,000 employees
18th largest employer worldwide
80 countries
33,300 sites
75 million consumers served daily
12.3 billion euro in market capitalization (as of April 16, 2014)

Forward-looking statements:

This press release contains statements that may be considered as forward-looking 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.

Main risks and uncertainties

The main risks and uncertainties are not materially different from those identified by the Group in the "Risk Factors" section of the Fiscal 2013 Registration Document filed with the *Autorité des Marchés Financiers* on November 18, 2013, except for those related to Sodexo's business in Venezuela which are described in Appendix 3.

Contacts

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APPENDIX 1
Comments by activity and by geographic region

Revenues by activity

(in millions of euro)	**First half Fiscal 2014**	First half Fiscal 2013	Organic growth	Change at constant exchange rates	Change at current exchange rates
On-site Services					
North America	**3,579**	**3,602**	+3.8%	+3.8%	-0.6%
Continental Europe	**2,961**	**2,946**	+0.6%	+1.4%	+0.5%
Rest of the World	**1,635**	**1,838**	-0.3%	+0.1%	-11.1%
United Kingdom and Ireland	**707**	**700**	+3.1%	+2.9%	+1.1%
Total On-site Services	**8,882**	**9,086**	**+1.9%**	**+2.2%**	**-2.2%**
Benefits and Rewards Services	**404**	**380**	**+15.1%**	**+16.6%**	**+6.3%**
Elimination of intra-group revenues	**(3)**	**(6)**			
TOTAL	**9,283**	**9,460**	**+2.4%**	**+2.8%**	**-1.9%**

Operating profit by activity[1]

(in millions of euro)	**First half Fiscal 2014**	First half Fiscal 2013	Change at constant exchange rates	Change at current exchange rates
On-site Services				
North America	**237**	**244**	+1.2%	-2.9%
Continental Europe	**128**	**103**	+25.2%	+24.3%
Rest of the World	**50**	**47**	+17.0%	+6.4%
United Kingdom and Ireland	**31**	**33**	-6.1%	-6.1%
Total On-site Services	**446**	**427**	**+8.2%**	**+4.4%**
Benefits and Rewards Services	**153**	**147**	**+17.0%**	**+4.1%**
Corporate expenses	**(42)**	**(40)**		
Elimination of intra-group revenues	**(3)**	**(6)**		
TOTAL	**554**	**528**	**+11.6%**	**+4.9%**

[1] *Excluding exceptional expenses recorded in the first half of Fiscal 2013 and the first half of Fiscal 2014 related to the operational efficiency improvement and cost reduction program. All operating profit amounts in the remainder of this document exclude these exceptional expenses.*

1. On-site Services

Revenues

By region:

(in millions of euro)	**First Half Fiscal 2014**	First Half Fiscal 2013	**Organic growth**	Acquisitions	Currency effect	**Change** at current exchange rates
On-site Services						
North America	**3,579**	3,602	**+3.8%**	-	-4.4%	**-0.6%**
Continental Europe	**2,961**	2,946	**+0.6%**	+0.8%	-0.8%	**+0.5%**
Rest of the World	**1,635**	1,838	**-0.3%**	+0.4%	-11.2%	**-11.1%**
United Kingdom and Ireland	**707**	700	**+3.1%**	-0.2%	-1.8%	**+1.1%**
TOTAL	**8,882**	**9,086**	**+1.9%**	**+0.3%**	**-4.4%**	**-2.2%**

By client segment:

(in millions of euro)	**First Half Fiscal 2014**	First Half Fiscal 2013	**Organic growth**
Corporate	**4,544**	4,714	**+1.8%**
Health Care and Seniors	**2,148**	2,174	**+2.1%**
Education	**2,190**	2,198	**+1.8%**
TOTAL	**8,882**	**9,086**	**+1.9%**

- Organic growth in the **Corporate** segment was **1.8%** in the first half of Fiscal 2014, resulting from three diverging trends:
  - sustained demand from companies in North America, Europe and emerging markets for multiservice contracts with a significant technical maintenance component.
  - contrasted with:
    - a sharp decrease (4.6%) in the Remote Sites activity, particularly in the mining sector, in Africa, the Middle East, Australia and Latin America; and
    - lower volumes for foodservices in several countries, especially in Europe, reflecting continued client efforts to achieve additional cost savings and reduce headcount as well as decreases in consumer spending, particularly in France, the Netherlands, Italy and Spain.

- The initial benefits of sales development in North America in Fiscal 2013 were seen in the **2.1%** organic growth in the **Health Care and Seniors** segment. However, organic growth in Europe continues to be affected by modest sales.
- The **1.8%** organic growth recorded for **Education** was primarily fueled by excellent client retention rates in North America while the Group continued to apply its selective approach to new contracts in the public school sector in Europe.

1.1 North America

Revenues

(in millions of euro)	**First Half Fiscal 2014**	First Half Fiscal 2013	**Organic growth**	**Acquisitions**	**Currency effect**	**Total growth**
Corporate	**820**	792	**+8.7%**			
Health Care and Seniors	**1,224**	1,253	**+1.9%**			
Education	**1,535**	1,557	**+2.7%**			
TOTAL	**3,579**	**3,602**	**+3.8%**	**-**	**-4.4%**	**-0.6%**

On-site Services revenues in North America totaled 3.6 billion euro, with organic growth accelerating to 3.8% compared with 0.6% for Fiscal 2013.

Organic growth in the **Corporate** segment was 8.7%, its highest level since Fiscal 2007. The increase was mainly due to new Facilities Management contracts with clients such as Unilever and Walt Disney World Resorts, as well as the development of several large Remote Sites projects in Canada, including Suncor Fort Hills, La Romaine 3 and Talisman Energy.

Sodexo won a large number of new contracts during the first half of Fiscal 2014, notably, Citigroup.

Health Care and Seniors revenues grew by **1.9%,** spurred by the gradual ramp-up of large contracts won in Fiscal 2013 with chains such as Manorcare, CHI and HCA.

The contracts won in this client segment during the first half of Fiscal 2014 included Covenant Care in Alberta, Canada, and USC Kenneth Norris Jr. Cancer Hospital in California and Wheaton Franciscan Hospital in Wisconsin in the United States.

In **Education**, organic revenue growth was **2.7%.** Despite the adverse impact of bad weather conditions in the second quarter of Fiscal 2014, Sodexo's teams managed to maintain good overall growth thanks to:

- high client retention rates and
- improved participation rates at schools and universities.

New contracts signed during the period included Jackson State University in Mississippi and William Rainer Harper College in Illinois.

Operating profit

On-site Services **operating profit** in North America amounted to 237 million euro, up 1.2% excluding the currency effect.

The numerous measures undertaken as part of the Group's structured approach to improving productivity began to have a favorable impact during the period, in particular with new progress in streamlining menus and efficiency gains in overheads.

However, these benefits were partly offset by the impact of start-up costs incurred for a large number of major contracts following a record year for business development in Fiscal 2013.

Operating margin was 6.6% compared to 6.8% for the first half of Fiscal 2013.

1.2 Continental Europe

Revenues

(in millions of euro)	First Half Fiscal 2014	First Half Fiscal 2013	Organic growth	Acquisitions	Currency effect	Total growth
Corporate	**1,728**	1,730	**+1.1%**			
Health Care and Seniors	**702**	702	**+0.4%**			
Education	**531**	514	**-1.0%**			
TOTAL	**2,961**	**2,946**	**+0.6%**	**+0.8%**	**-0.9%**	**+0.5%**

In Continental Europe, revenues totaled 3 billion euro, with organic growth of 0.6%.

Performance was mixed across the various countries, with continued growth in Russia and Poland and improvement in Germany and Belgium compared with the prior year period, but with an ongoing decline in foodservices, particularly in France and the Netherlands.

The **1.1%** organic growth in the **Corporate** segment continued to reflect the relevance and success of its integrated services offerings with numerous clients across Europe. Facilities Management services more than offset the decline in foodservices volumes that notably resulted from client staff reductions. Recent contract awards for Sodexo include the signature of a contract with Carlsberg to provide a wide range of services, including cleaning, reception services, grounds maintenance, foodservices and technical maintenance services for buildings and fire safety equipment, on 35 sites in ten countries.

In **Health Care and Seniors,** organic revenue growth was **0.4%**, slightly higher than for the prior year period despite only a modest increase in site revenues and a weaker client retention rate for the past twelve months. Growth was mainly led by new Seniors contracts in the Benelux countries and contract wins with hospitals and clinics in France. These new contracts included the *Centre Hospitalier de la Région de Saint Omer* and the *Clinique Générale d'Annecy* in France and the IFO (*Istituto Fisioterapici Ospitalieri*) in Italy.

Revenues in **Education** were down -1%, reflecting Sodexo's decision to exit certain insufficiently profitable contracts, particularly in Southern Europe, as well as pressure on school budgets in several countries. Nevertheless, the Group's teams recently won a number of major new contracts, including the public schools in Asnières sur Seine in France and *Taideyliopiston Sibelius Akatemia* in Finland.

Operating profit

At 128 million euro, **operating profit** from On-site Services in Continental Europe was up by 25 million euro (or more than 25%, excluding the currency effect), and operating margin rose sharply to 4.3% from 3.5% in the first half of Fiscal 2013. This performance primarily reflects rigorous management of all operating expenses and the initial benefits of the various initiatives in several European countries in connection with the operational efficiency improvement program. The French *Crédit d'Impôt pour la Compétitivité et l'Emploi* (CICE) tax credit partially offset increases in payroll taxes in recent years.

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

Revenues

(in millions of euro)	First Half Fiscal 2014	First Half Fiscal 2013	Organic growth	Acquisitions	Currency effect	Total growth
Corporate	1,493	1,697	-1.4%			
Health Care and Seniors	81	84	+12.5%			
Education	61	57	+15.2%			
TOTAL	**1,635**	**1,838**	**-0.3%**	**+0.4%**	**-11.2%**	**-11.1%**

In the Rest of the World (Latin America, Africa, Middle East, Asia, Australia and Remote Sites), Sodexo reaffirmed its leadership in emerging and high potential markets and reported revenues of 1.6 billion euro for the first half of Fiscal 2014. Unfavorable exchange rates weighed on revenues by over 200 million euro.

Excluding the currency effect, organic growth in revenues for the Rest of the World segment remained stable at 0.1%:

- The Remote Sites segment, which represented 45% of total Rest of the World revenues in Fiscal 2013, reported a nearly 8% revenue decline due to delayed investment in new projects by mining sector clients and remote site closures in Fiscal 2013 upon completion of the related projects.
- Excluding the Remote Sites activity, organic growth in the Rest of the World was 7.1%. In certain regions such as India, South-East Asia, Colombia and Gabon, organic growth was in the double digits.

In the **Corporate** segment, revenues declined by **1.4%** at constant exchange rates. Excluding remote sites, organic growth in emerging countries with strong medium-term growth potential was 7.3%.

Sodexo's dynamic sales performance during the period resulted in contract wins including BHP Billiton Cerro Matoso, COMFAMA and Unysis in Colombia, Enel in Chile, Apache Energy in Australia, Goodyear Tyres and Tetra Pak India in India, the Knesset in Israel, Mondelez International in Peru and Shanghai Mitsubishi Electric Ltd in China.

Organic growth in **Health Care and Seniors** was 12.5%, reflecting solid business development, especially in Brazil and Asia, with contracts such as Mater Dei Hospital Belo Horizonte in Brazil, Clinica Universitaria Boliviariana in Colombia and the Beijing Jishuitan Hospital in China. This steady and sustained growth attests to Sodexo's proven international expertise in the Health Care and Seniors market.

In **Education**, the Group also continued to expand in emerging markets and leverage its expertise and in-depth knowledge of this segment for numerous clients, especially in South-East Asia and India. Organic growth was 15.2%. Sodexo's teams won a number of major contracts during the period, including Panyapiwat Institute of Management in Thailand and Universidad Santo Tomas in Chile.

Operating profit

Excluding the currency effect, On-site Services operating profit in the Rest of the World rose 17% to 50 million euro. The Group continued to successfully integrate Puras in Brazil and generate operating synergies during the period. Rigorous cost management at sites across the regions contributed to a 3.1% operating margin compared to 2.6% for the first half of Fiscal 2013.

1.4 United Kingdom and Ireland

Revenues

(in millions of euro)	**First Half Fiscal 2014**	First Half Fiscal 2013	**Organic growth**	**Acquisitions**	**Currency effect**	**Total growth**
Corporate	**503**	495	**+3.7%**			
Health Care and Seniors	**141**	135	**+6.9%**			
Education	**63**	70	**-8.4%**			
TOTAL	**707**	**700**	**+3.1%**	**-0.2%**	**-1.8%**	**+1.1%**

Revenues for the United Kingdom and Ireland totaled 707 million euro and organic growth in the region was 3.1%.

In the **Corporate** segment, revenues for the first half of Fiscal 2014 were up by a solid 3.7%, once again reflecting increased demand for integrated services and the extension of services provided to existing clients, such as GSK, BAe Systems and AstraZeneca. The segment's performance during the period was also boosted by the start of a major new Justice Services contract with Northumberland prison.

In **Health Care and Seniors**, organic growth remained brisk, at **6.9%,** as a result of the expansion of **s**ervices provided to several hospitals, such as Brighton and Sussex and North Staffordshire University Hospitals.

In the **Education** segment, Sodexo won a prestigious contract during the first half of Fiscal 2014 with University College London.

Operating profit

On-site Services operating profit amounted to 31 million euro, down 6.1% excluding the currency effect.

Despite major on-site productivity efforts made by the teams during the period, operating margin contracted to 4.4% from 4.7%. It should be noted that the first half of Fiscal 2013 benefited from the London Paralympic Games.

2. Benefits and Rewards Services

Issue volume

(in millions of euro)	First Half Fiscal 2014	First Half Fiscal 2013	Organic growth	Acquisitions	Currency effect	Total growth
Latin America	**4,038**	3,840	**+19.4%**			
Europe and Asia	**4,300**	4,134	**+4.6%**			
TOTAL	**8,338**	**7,974**	**+11.7%**	**+1.3%**	**-8.5%**	**+4.5%**

Revenues

(in millions of euro)	First Half Fiscal 2014	First Half Fiscal 2013	Organic growth	Acquisitions	Currency effect	Total growth
Latin America	**223**	206	**+23.4%**			
Europe and Asia	**181**	174	**+5.1%**			
TOTAL	**404**	**380**	**+15.1%**	**+1.5%**	**-10.3%**	**+6.3%**

Benefits and Rewards Services issue volume was 8.3 billion euro. Organic growth in issue volume remained robust, accelerating to **11.7%**.

Benefits and Rewards Services revenues for the first half of Fiscal 2014 totaled 404 million euro, up 6.3% from the prior year period. Unfavorable exchange rates reduced revenues by 10.3% during the period but **organic revenue growth** was excellent, accelerating to **15.1%**.

In **Latin America**, organic revenue growth came in at **over 23%**, thanks to:

- solutions offered to a still increasing number of beneficiaries; and
- higher face values of issued vouchers and cards in Brazil and Venezuela.

In **Europe and Asia**, organic growth rose to **5.1%** as a result of robust sales performances by the Group's teams in Turkey, Central Europe and Asia.

Recent commercial successes include contracts with Santander in Brazil with 22,000 Pass Culture beneficiaries, *Consorcio Viario Zona Leste* and *OAS Engenharia e Participaçoes Ltda* in Brazil, *Les Mousquetaires* in France, *UCZ Magazacilik veTicaret AS* in Turkey and *Bharat Petroleum* in India.

Operating profit

Operating profit from Benefits and Rewards Services was 153 million euro, up 17% excluding the currency effect compared with the first half of Fiscal 2013. The year-on-year increase reflected higher issue volume and tight control over operating expenses. At the same time, Sodexo continued to make investments during the period in research into quality of life services and in development.

The operating margin (at current exchange rates) was 37.9% versus 38.7% in the prior year period.

APPENDIX 2
Financial Statements for the first half of Fiscal 2014
(audited)

Consolidated income statement

	First Half Fiscal 2014		Change	First Half Fiscal 2013	
(in millions of euro)	% revenue	(millions of euro)		% revenue	(millions of euro)
Revenues	**100%**	**9,283**	**- 1.9%**	**100%**	**9,460**
Cost of sales	-84.6%	(7,850)		-85.1%	(8,048)
Gross profit	**15.4%**	**1,433**	**+1.5%**	**14.9%**	**1,412**
Sales Department costs	-1.4%	(134)		-1.4%	(133)
General and administrative costs	-8.5%	(790)		-8.4%	(798)
Other operating income	0.4%	35		0.2%	15
Other operating costs	-0.2%	(20)		-0.2%	(18)
Operating profit	**5.6%**	**524**	**+9.6%**	**5.1%**	**478**
Share of profit of companies consolidated by the equity method that directly contribute to the Group's business	0.1%	5		0.1%	5
Operating profit after share of profit of certain companies consolidated by the equity method	**5.7%**	**529**	**+9.5%**		**483**
Interest income	0.2%	23		0.2%	23
Financing costs	-1.2%	(108)		-1.1%	(108)
Share of profit of other companies consolidated by the equity method	0.0%	4		0.0%	3
Profit before tax	**4.8%**	**448**	**+11.7%**	**4.2%**	**401**
Income tax expense	-1.7%	(158)		-1.6%	(153)
PROFIT FOR THE PERIOD	**3.1%**	**290**	**+16.9%**	**2.6%**	**248**
Of which:					
Profit attributable to non-controlling interests	0.1%	12		0.1%	12
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**3.0%**	**278**	**+17.8%**	**2.5%**	**236**

Consolidated statement of financial position

ASSETS

(in millions of euro)	February 28, 2014	August 31, 2013
NON-CURRENT ASSETS		
Property, plant and equipment	**533**	540
Goodwill	**4,780**	4,803
Other intangible assets	**535**	528
Client investments	**316**	288
Companies consolidated by the equity method	**61**	78
Other non-current financial assets	**120**	118
Derivative financial instruments	**23**	69
Other non-current assets	**12**	14
Deferred tax assets	**174**	187
Total non-current assets	**6,554**	**6,625**
CURRENT ASSETS		
Current financial assets	**6**	7
Derivative financial instruments	**46**	39
Inventories	**261**	271
Income tax receivable	**215**	119
Trade and other receivables	**3,819**	3,466
Restricted cash and financial assets related to the Benefits and Rewards Services activity	**785**	734
Cash and cash equivalents	**1,186**	1,347
Total current assets	**6,318**	**5,983**
TOTAL ASSETS	**12,872**	**12,608**

LIABILITIES AND SHAREHOLDERS' EQUITY

(in millions of euro)	February 28, 2014	August 31, 2013
SHAREHOLDERS' EQUITY		
Common stock	**628**	628
Additional paid-in capital	**1,109**	1,109
Reserves and retained earnings	**1,192**	1,216
Equity attributable to equity holders of the parent	**2,929**	**2,953**
Non-controlling interests	**46**	37
Total shareholders' equity	**2,975**	**2,990**
NON-CURRENT LIABILITIES		
Borrowings	**1,224**	1,895
Derivative financial instruments	**0**	1
Employee benefits	**364**	372
Other non-current liabilities	**217**	214
Provisions	**87**	99
Deferred tax liabilities	**240**	153
Total non-current liabilities	**2,132**	**2,734**
CURRENT LIABILITIES		
Bank overdrafts	**48**	40
Borrowings	**1,431**	712
Derivative financial instruments	**10**	19
Income tax payable	**116**	109
Provisions	**116**	116
Trade and other payables	**3,377**	3,347
Vouchers payable	**2,667**	2,541
Total current liabilities	**7,765**	**6,884**
TOTAL LIABLITIES AND SHAREHOLDERS' EQUITY	**12,872**	**12,608**

Consolidated cash flow statement

(in millions of euro)	**First Half Fiscal 2014**	First Half Fiscal 2013
Operating activities		
Operating profit	**524**	**478**
Elimination of non-cash and non-operating items		
Depreciation and amortization of tangible and intangible assets	125	140
Provisions	1	17
Gains and losses on disposals and other	(28)	1
Dividends received from companies consolidated by the equity method	5	8
Change in working capital from operating activities	**(194)**	**(353)**
Change in inventories	2	(1)
Change in trade and other receivables	(415)	(576)
Change in trade and other payables	101	56
Change in vouchers payable	174	215
Change in financial assets related to the Benefits and Rewards Services activity	(56)	(47)
Interest paid	(105)	(114)
Interest received	3	7
Income tax paid	(149)	(147)
Net cash provided by operating activities	**182**	**37**
Investing activities		
Acquisitions of property, plant and equipment and intangible assets	(122)	(110)
Disposals of property, plant and equipment and intangible assets	21	5
Change in client investments	(40)	(3)
Change in financial assets	5	4
Acquisitions of subsidiaries	(48)	(81)
Dispositions of subsidiaries	-	-
Net cash used in investing activities	**(184)**	**(185)**
Financing activities		
Dividends paid to parent company shareholders	(247)	(240)
Dividends paid to non-controlling shareholders of consolidated companies	(10)	(12)
Sales of treasury shares (net)	32	8
Increase in capital	-	-
Acquisitions of non-controlling interests	(1)	(11)
Proceeds from borrowings	262	237
Repayment of borrowings	(163)	(41)
Net cash used in financing activities	**(127)**	**(59)**
CHANGE IN NET CASH AND CASH EQUIVALENTS	**(129)**	**(207)**
Net effect of exchange rates and other effects on cash	(40)	(48)
Net cash and cash equivalents, beginning of period	1,307	1,436
NET CASH AND CASH EQUIVALENTS, END OF PERIOD	**1,138**	**1,181**

APPENDIX 3
Foreign currency effect

The following table shows changes in exchange rates for the main currencies used to convert the financial statements of subsidiaries compared with the first half of Fiscal 2013.

Currency	Closing rate As of February 28, 2014	Average rate First Half of Fiscal 2014	Closing rate as of February 28, 2013	Average rate First Half of Fiscal 2013
U.S. dollar (USD)	1.38	1.36	1.31	1.31
Pound sterling (GBP)	0.83	0.84	0.86	0.82
Real (BRL)	3.21	3.15	2.59	2.66
Bolivar (VEF)	14.10	14.10	13.39	13.39

Sodexo operates in 80 countries. The impact of the most significant currencies on consolidated revenue and operating profit is presented below:

	Change compared to the euro (%)	*(Exchange rate impacts, in millions of euro)* Revenues	Operating profit	Profit for the period
Euro/USD	-3.8%	(135)	(9)	(3)
Euro/BRL	-15.4%	(94)	(15)	(8)
Euro/GBP	-2%	(14)	(1)	(0)

Venezuela:

The financial statements for the first half of Fiscal 2014 of subsidiaries operating in Venezuela were translated at the rate used for the financial statements for the fiscal year ended August 31, 2013, which is the rate observed for the most recent transactions, which occurred in Fiscal 2012 (*i.e.*, 1 U.S. dollar = 10.20 bolivars, and 1 euro = 14.1 bolivars at February 28, 2014).
On March 24, 2014, the Venezuelan government created a new foreign exchange platform called SICAD 2 (Alternative Currencies Exchange System). Since the launch of this system, the exchange rate has ranged from 50 to 52 bolivars for 1 U.S. dollar. The terms and conditions for participating in SICAD 2 are fairly complex, as individuals and entities are required to make documented requests for currency on a daily basis which must be approved by the Venezuelan Central Bank. The volumes observed during the platform's first five days of trading were very low and were not sufficient to conclude that the applicable rates are representative of an active and stable market. Given that this system has only recently been created and the low current trading volumes, the Group considers that it is premature to conclude that it will use the new system and therefore has not used a SICAD 2 based exchange rate to translate the financial statements of its Venezuelan subsidiaries as of February 28, 2014.

A 10% depreciation of the bolivar compared with the rate used for the first half of Fiscal 2014 would have the following impact on the Group's main financial statement items:

Currency	First Half Fiscal 2014				
	Impact on revenues	Impact on operating profit	Impact on profit attributable to equity holders of the parent	Impact on total cash and cash equivalents	Impact on shareholders' equity
Bolivar (VEF)	(4)	(2)	(0.3)	(17)	(6)

APPENDIX 4
Selection of new clients – First half of Fiscal 2014

On-site Services

Corporate
Campus Jules Carteret (Plastic Omnium), Lyon, France
Citigroup, multi-site, United States
COMFAMA, Antioquia, Colombia
Goodyear Tyres, Aurangabad, India
Solstys Building, Paris, France
INRA, Jouy-en-Josas, France
Knesset, Jerusalem, Israel
Mondelez International, Lima, Peru
Nestlé, Graneros, Chile
Sanofi Pasteur MSD, Lyon, France
Shanghai Mitsubishi Electric Ltd, Shanghai, China
Suzano, Embu, Brazil
Tetra Pak India Private Limited, Pune, India
TEVA Canada, Toronto, Canada
Unysis, Bogotá, Colombia
YPÊ, São Paulo, Brazil

Health Care and Seniors
Beijing Jishuitan Hospital, Beijing, China
Centre Hospitalier de la Région de Saint-Omer, Saint-Omer, France
Clínica Universitaria Bolivariana, Medellín, Colombia
Clinique générale d'Annecy, France
Covenant Care, Alberta, Canada
HCA Capital – LewisGale, Virginia (4 sites), United States
IFO (Istituti Fisioterapici Ospitalieri), Rome, Italy
Mater Dei Hospital, Belo Horizonte, Brazil
The Moore Center, Bellevue, Washington, United States
USC-Kenneth Norris Jr Cancel Hospital, Los Angeles, United States
Wheaton Franciscan Services, Inc, Wisconsin (8 sites), United States

Education
Commune di Abbiategrasso, Italy
Flame School of Business, Pune, India
Jackson State University, Jackson, Mississippi, United States
Neal S. Blaisdell Center, Honolulu, Hawaii, United States
Panyapiwat Institute of Management, Bangkok, Thailand
Taideyliopiston Sibelius-Akatemia, 2 sites, Finland
Universidad Santo Tomas, Santiago de Chile, Chile
Ville d'Asnières, France
William Rainey Harper College, Palatine, Illinois, United States

Remote Sites

Apache Energy Australia, Karratha, Australia
Cerro Matoso, Montelibano (Cordoba), Colombia
Enel, Taltal, Chile
Keewatinoow S2, Manitoba, Canada
Minera Raura, Lima, Peru
Noble Drilling, Offshore, 2 sites, United States
SEK (Tiger Resources) – Kipoi, Katanga, Democratic Republic of Congo
Shelf Drilling Parameswara, Offshore Balikpapan, Indonesia
Rowan Drilling, Offshore, Norway
Shell, Offshore, Norway
Techint, Cusco, Peru
Teekay, Norway

Sports and Leisure

CAFAM Club – Club de la Caja de Compensación Familiar, Bogotá, Colombia

Benefits and Rewards Services

Europe

Les Mousquetaires, France
UCZ Magazacilik Ticaret, A.S., Turkey

Latin America

Banco Santander S.A., Brazil
CCSI Compucom GSC México, S.A. de C.F., Mexico
Consorcio Viario Zona Leste, Brazil
Fundación Escolar Del Estado Lara, Venezuela
OAS Engenharia E Participaçoes Ltda, Brazil

Asia

Bharat Petroleum Corporation Limited, India