PRESS RELEASE

Sodexo: Q1 Fiscal 2017 impacted by expected high comparative base, annual objectives confirmed

On-site Services segment reporting changes from geographies to global client segments

- **Revenues organic growth* -1.5%, with underlying growth at +1.1% excluding the Rugby World Cup and Energy & Resources[1] impact.**
  - **On-site Services: -1.8% organic growth, +0.9% excluding the Rugby World Cup and Energy & Resources**
    - As anticipated, Rugby World Cup contribution in previous year weighed on growth for 2.3%
    - Energy & Resources improving, as comparative base eases and new business kicks-in, but still negative
    - Education in North America returns to moderate growth
    - Significant new business wins including Collahuasi in Chile, and Air France in France.
  - **Benefits & Rewards Services: a strong quarter with +7.2% organic growth**
    - Strong growth in Europe with +9.8% organic revenue growth
    - Resilient organic growth in Latin America, at +4.3%, despite a marked slowdown in Brazil
- **Sodexo confirms its Fiscal 2017 objectives** of organic revenue growth around 3% and growth in operating profit of 8 to 9%, at constant exchange rates and before exceptional expenses*.

Issy-les-Moulineaux, January 12, 2017 – Sodexo (NYSE Euronext Paris: FR 0000121220 - OTC: SDXAY), world leader in Quality of Life Services, today reported its non-audited revenues for the first quarter of Fiscal 2017, which ended on November 30, 2016.

New segment reporting

From the beginning of Fiscal 2017, the Group reports the breakdown of its On-site Services revenues and operating profit by global client segment rather than geographies to reflect the progressive reorganization of the Group since September, 2015.

As a result,

- On-site Services revenues are now reported by three global client segments (Business & Administrations, Health Care & Seniors, and Education), with a secondary level by region (North America, Europe -including UK and Ireland- and Africa/Asia/Australia/Latin America/Middle East)
- On-site operating profit is provided by Global client segment.

Please refer to pages 11-13 for the Fiscal 2016 restated On-site segment figures.

* *Alternative Performance Measures have been marked with an * please refer to page 14 for definitions*

[1] *Energy & Resources, previously mainly Remote Sites*

Revenues by activity and global client segment

Revenues *(in millions of euro)*	Q1 Fiscal 2017	Q1 Fiscal 2016	Organic growth	Published growth
Business & Administrations	**2,620**	**2,808**	**-5.0%**	**-6.7%**
Health Care & Seniors	**1,229**	**1,204**	**+2.6%**	**+2.1%**
Education	**1,387**	**1,377**	**+1.0%**	**+0.7%**
Total On-site Services	**5,236**	**5,388**	**-1.8%**	**-2.8%**
Total Benefits & Rewards Services	**216**	**186**	**+7.2%**	**+16.1%**
Elimination of intra-group revenues	(1)	(1)		
TOTAL GROUP	**5 451**	**5,573**	**-1.5%**	**-2.2%**

Commenting on these figures, Sodexo CEO Michel Landel said:

"As anticipated, first-quarter revenue performance reflects the impact from the Rugby World Cup and the weakness in Energy & Resources. The underlying organic growth in this quarter excluding the Rugby and Energy & Resources effect is +1.1%. Education in North America is back to modest growth and the pipeline of new business opportunities is strong, while activity in France generally remains weak. In addition, the revenues momentum was strong in Benefits & Rewards Services this quarter.

Every day, our new organization demonstrates its capacity to provide expertise and value for our clients through our unique offer of integrated Quality of Life services. Revenue growth will progressively accelerate in the coming quarters and we confirm our objectives for Fiscal 2017 of around 3% organic growth and 8 to 9% growth in operating profit, excluding currency impact and exceptional expenses."

Highlights of the period

- As anticipated, the first quarter is impacted by the very high comparable base last year due to the 131 million euro contribution of the Rugby World Cup, representing a decline of 2.3% of Group revenues.
- The trend in Energy & Resources has improved although organic growth remains negative at -4.5% in this quarter, compared to a double digit decline in Fiscal 2016.
- On-site Services organic growth, excluding the Rugby World Cup and Energy & Resources, was up 0.9% and is expected to progressively accelerate through the year.
- Business & Administrations organic growth was down 5%, impacted as expected by the Rugby World Cup comparable base, and the ongoing negative trend in Energy & Resources (albeit significantly less than in preceding quarters). Business & Administrations organic growth excluding the Rugby World Cup and Energy & Resources effect, was -0.1%, resulting from a low level of contract start-ups in Europe, in particular in the UK, some contract losses and weak demand in France generally.
- Health Care & Seniors organic growth is +2.6%, benefiting from same site growth in Hospitals in North America and the ramp-up of a new Senior contract in France, in a context of an ever greater contract selectivity in Hospitals in France and the United-Kingdom.
- Education organic growth has recovered slightly at +1.0% with modest growth in North America and Europe and continued strong development in new contracts in Asia.

- Organic growth in Benefits & Rewards Services, at +7.2%, picked up substantially in the quarter resulting from strong growth in Europe and resilient growth in Latin America, despite an increasingly competitive environment and lower face value inflation in Brazil.

Fiscal 2017 objectives

This first quarter, as expected, was impacted by challenging revenue comparables which will progressively reduce from the second quarter due to stronger new business pipeline, improved momentum in developing economies, continued improvement in Energy & Resources, the absence of any further Rugby World Cup impact, and the extra days accounting adjustment in North America in Q4.

The Group is confident that it will achieve its Fiscal 2017 objectives:

- **Organic revenue growth of around 3%**
- **An increase in operating profit of 8% to 9%, excluding currency effects and before exceptional expenses relating to the Adaptation and Simplification program.**

Financial calendar

Annual Shareholders' Meeting - Fiscal 2016	January 24, 2017
Ex-dividend date	February 6, 2017
Dividend record date	February 7, 2017
Dividend payment date	February 8, 2017
1st Half results – Fiscal 2017	April 13, 2017
Nine month revenues – Fiscal 2017	July 6, 2017
Annual results – Fiscal 2017	November 16, 2017
Annual Shareholders' Meeting – Fiscal 2017	January 23, 2018

Meeting and Conference call

Sodexo will host a meeting and conference call (in English) today at 11 a.m. (French time), 10 a.m. (UK time) to present the Group's new segment reporting and comment on the 1st Quarter Fiscal 2017 revenues. Those who wish to connect to the call may dial +44(0)1452 555 566 (from outside France) or 01 76 74 24 28 (from within France), followed by the pass code 52 17 364. The presentation can also be followed via live webcast on the Group website, www.sodexo.com, in the "Finance – Financial Results" section, where there will be an option to ask questions on line.

The press release, presentation and webcast will be available on the Group website www.sodexo.com under both the "Latest News" section and the "Finance – Financial Results" section. A recording of the conference call will be available until January 27 by dialing +44(0)1452 550 000, pass code 52 17 364.

About Sodexo

Founded in Marseille in 1966 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 & Rewards Services and Personal and Home Services. Through its more than 100 services, Sodexo provides clients an integrated offering developed over more than 50 years of experience: from foodservices, reception, maintenance and cleaning, to facilities and equipment management; from Meal Pass, Gift Pass and Mobility Pass benefits for employees to in-home assistance, child-care centers 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 425,000 employees throughout the world.

Key figures (as of August 31, 2016)

20.2 billion euro consolidated revenues
425,000 employees
19th largest employer worldwide
80 countries
75 million consumers served daily
16.6 billion euro in market capitalization (as of January 11, 2017)

Forward-looking information
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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FISCAL 2017 Q1 REVENUE ACTIVITY REPORT

Revenue Analysis

Revenues *(in millions of euro)*	**Q1 Fiscal 2017**	Q1 Fiscal 2016	**Published growth**	**Acquisitions**	**Currency effect**	**Organic growth**
Business & Administrations	**2,620**	**2,808**	**-6.7%**	**-**	**-1.7%**	**-5.0%**
Health Care & Seniors	**1,229**	**1,204**	**+2.1%**	**+0.3%**	**-0.7%**	**+2.6%**
Education	**1,387**	**1,377**	**+0.7%**	**-**	**-0.3%**	**+1.0%**
Total On-site Services	**5,236**	**5,388**	**-2.8%**	**+0.1%**	**-1.1%**	**-1.8%**
Total Benefits & Rewards Services	**216**	**186**	**+16.1%**	**+4.3%**	**+4.6%**	**+7.2%**
Elimination of intra-group revenues	(1)	(1)				
TOTAL GROUP	**5 451**	**5,573**	**-2.2%**	**+0.2%**	**-0.9%**	**-1.5%**

Fiscal 2017 first quarter consolidated revenues totaled 5,451 million euro, down 2.2%. The currency effect was negative at -0.9% due to the weakness of Pound Sterling, partially compensated by the strength of the Brazilian real.

Acquisitions signed in the first quarter net of disposals contributed +0.2% to growth, including PSL, a leading hotel procurement organization in the United Kingdom, 5 catering contracts in prestigious London museums (Royal Academy, National Gallery, Imperial War Museum, ICA and Wallace Collection) and Inspirus, a specialist in motivation services in the USA.

Organic revenue growth was -1.5%, impacted in particular by the significant contribution from the Rugby World Cup (RWC) in the prior year period and the decline in Energy & Resources. Excluding both, Group organic revenue growth was up 1.1%.

Analysis of organic growth in On-site Services

Fiscal 2017 First quarter On-site Services organic growth was -1.8%, and +0.9% excluding the RWC and the impact of Energy & Resources.

Business & Administrations

Revenues

(in millions of euro)	Q1 Fiscal 2017	Q1 Fiscal 2016	Organic growth
North America	609	584	+3.9%
Europe	1,331	1,579	-11.7%
Africa, Asia, Australia, Latin America, Middle East	679	645	+2.9%
Total Business & Administrations	**2,620**	**2,808**	**-5.0%**

First quarter Fiscal 2017 On-site Services revenues in **Business & Administrations** totaled 2.6 billion euro, down organically by 5% compared with the first quarter of Fiscal 2016 which benefited from the RWC. Excluding the RWC and Energy & Resources, organic growth was -0.1%. This performance reflects strong growth in corporate services in North America, a low level of new business in the UK and continued weakness in France. The trend in Energy & Resources is improving as expected, even if still down 4.5%, helped by an easier comparable base and new contract start-ups,

Organic growth in **North America** was **+3.9%.** Demand remained strong for additional facilities management services among clients, combined with new airline lounge business. Energy & Resources activity in the region weighs on the performance as the remote site activity is now included in the performance of North America. Performance in Energy & Resources has stabilized but relative to the strong development of the other activities, it is a drag on performance.

Europe was down **11.7%,** combining all the difficulties of the period with a high comparable base due to the RWC, a particularly strong decline in North Sea Oil and Gas, and the continued weakness of France (accentuated by the loss of a significant justice contract in the second quarter of Fiscal 2016, which up to this quarter had been compensated by ramp-ups).

In **Africa, Asia, Australia, Latin America and the Middle East**, organic growth of **+2.9%** reflects continued strong growth in Corporate services thanks to new contracts in all the regions except in the oil-related economies in Africa and the Middle East; the extension of contracts with existing international clients; and the emergence of integrated contract requests for local companies as they expand outside their countries. In Energy & Resources, activity has more or less stabilized, helped by the contribution of the contract start-ups signed last year.

Health Care & Seniors

Revenues

(in millions of euro)	Q1 Fiscal 2017	Q1 Fiscal 2016	Organic growth
North America	810	778	+3.6%
Europe	363	382	-0.8%
Africa, Asia, Australia, Latin America, Middle East	56	44	+13.0%
Total Health Care & Seniors	**1,229**	**1,204**	**+2.6%**

In **Health Care & Seniors**, revenues totaled 1.2 billion euro, with organic growth at +2.6%.

Organic growth in **North America** was **+3.6%,** due to solid growth in same site sales, as a result of the development of facilities management services and the ramp-up of new sites.

The **-0.8%** decline in **Europe** reflects a much greater selectivity in bidding for hospital contracts, particularly in the UK and France. Retention remains high, so that same site sales growth and the Korian Seniors contract ramp-up are partially covering net losses.

In **Africa, Asia, Australia, Latin America and the Middle East**, growth in the segment is strong at **+13%** particularly in China, Australia, Brazil and Chile with a combination of new contracts and the extension of services within existing contracts.

Education

Revenues

(in millions of euro)	Q1 Fiscal 2017	Q1 Fiscal 2016	Organic growth
North America	1,104	1,091	+0.8%
Europe	262	267	+0.9%
Africa, Asia, Australia, Latin America, Middle East	21	19	+9.6%
Total Education	**1,387**	**1,377**	**+1.0%**

In **Education**, revenues for the first quarter of Fiscal 2017 amounted to 1.4 billion euro, up organically by 1%.

Organic growth in **North America** of **+0.8%** is the result of strong growth in new business in Schools, such as the extension of Chicago Public Schools contract and a new one with Washington DC schools, offset by a small decline in Universities due to low prior year development.

In **Europe**, organic growth of **+0.9%** was attributable to the combination of robust growth in Italy and Finland, offset somewhat by one less working day in French schools and the end of the ramp-up of the many new contracts last year in the United Kingdom.

In **Africa, Asia, Australia, Latin America, and the Middle East**, organic growth was **+9.6%** resulting from several new Schools contracts in China, Singapore and India.

On-site Services revenues by region

Revenues *(in millions of euro)*	**Q1 Fiscal 2017**	Q1 Fiscal 2016	Published growth	**Organic growth**
North America	**2,523**	**2,453**	**+2.9%**	**+2.5%**
Europe	**1,957**	**2,228**	**-12.2%**	**-8.3%**
Africa, Asia, Australia, Latin America, Middle East	**756**	**708**	**+6.8%**	**+3.7%**
Total On-site Services	**5,236**	**5,388**	**-2.8%**	**-1.8%**

Note: it is important to bear in mind that, with the new segment reporting, all remote sites business is now spread across the different regions, whereas previously remote sites was included in Rest of the World. As a result, North America and Europe now have a share of Energy & Resources which weighs on their growth this quarter, particularly in Europe where Energy & Resources revenues continue to suffer (down 16%).

North America revenue organic growth of **+2.5%** is supported by strong Corporate services, solid cross-selling in hospitals and a return to modest growth in Education offset somewhat by Energy & Resources.

The organic decline of -**8.3%** in **Europe** reflects the concentration of all the major weaknesses of the quarter with the full RWC effect, a 16% decline in North Sea Energy & Resources activity, the strict selectivity in hospitals in the UK and France, and general weakness in France. Excluding the RWC, organic growth would have been -2.8%.

Africa, Asia, Australia, Latam and Middle East achieved **+3.7%** organic growth. This was a combination of solid new business, strong growth in same site sales in most regions, more or less stable sales in Energy & Resources resulting from an easier comparative base, but weak demand in the Middle-East and Africa.

Benefits & Rewards Services

Benefits & Rewards Services revenue amounted to 216 million euro, up 16.1%. Currencies contributed +4.6% to this growth, resulting in particular from the recovery of the Brazilian real. The acquisition of Inspirus in the USA, net of the disposal of business, contributed a further 4.3% to growth. Organic growth was therefore +7.2%, compared to growth in total issue volume* also strong at +6.3%.

Issue volume

(in millions of euro)	**Q1 Fiscal 2017**	Q1 Fiscal 2016	**Organic growth**
Latin America	1,919	1,616	+7,0%
Europe, Asia and USA	2,523	2,422	+5.8%
Total Issue volume	**4,442**	**4,038**	**+6.3%**

Revenues

(in millions of euro)	**Q1 Fiscal 2017**	Q1 Fiscal 2016	**Organic growth**
Latin America	103	88	+4.3%
Europe, Asia and USA	113	98	+9.8%
Total revenues	**216**	**186**	**+7.2%**

Organic growth in **Latin America** is at **+7.0%** in Issue volume and **+4.3%** for revenues**.** This reflected, on the one hand, a highly competitive environment combined with lower face value inflation in Brazil and, on the other hand, continued strong progress in penetration in the rest of the region, and in particular in Mexico.

In **Europe, Asia and USA,** organic growth in Issue volume and revenues was particularly strong this quarter at **+5.8%** and **+9.8%** respectively. This performance is due to solid face value increases in Belgium, strong growth in Italy and Central Europe during the quarter. Revenue growth was also boosted by an easier comparable base reflecting the lower interest rate environment for over a year and last year's late Christmas cut-off in motivation and gift vouchers helping this quarter growth but which will be reversed in the second quarter.

** Alternative Performance Measures have been marked with an * please refer to page 14 for definitions.*

Financial position

There were no material changes in the Group's financial position as of November 30, 2016 relative to that presented in the Fiscal 2016 Registration Document published on November 21, 2016.

Principal risks and uncertainties

There were no significant changes to the principal risks and uncertainties identified by the Group in the Risk Factors section of the Fiscal 2016 Registration Document filed with the AMF on November 21, 2016.

Exchange rates and currency effect

1€ =	Average rate Q1 Fiscal 16	Reference rate FY Fiscal 16	Average rate Q1 Fiscal 17	Change Q1'17 vs. Reference FY'16	Closing rate Q1 Fiscal 17 at 30/11/16
U.S. Dollar	1.103	1.106	**1.099**	**+0.6%**	1.064
Pound Sterling	0.724	0.767	**0.870**	**-11.8%**	0.852
Brazilian Real	4.267	4.069	**3.569**	**+14.0%**	3.612

Exchange rate fluctuations do not generate operational risks, because each subsidiary bills its revenues and incurs its expenses in the same currency.

ON-SITE SERVICES REORGANIZATION AND NEW SEGMENT REPORTING

The evolution in Sodexo's On-Site Services organization enables the Group to become even more competitive, to adapt ever more quickly to clients' evolving needs and to offer the best of Sodexo around the globe for both local and large global clients.

Clients today are looking for partners who have a deep understanding of their business, are experts in their domains and can bring simplified, innovative solutions to enhance productivity. Client and consumer behaviors are becoming harmonized all over the world, global clients are seeking to leverage their size and local clients are mutualizing their services. Client industry standards are fast globalizing. Local and national governments are looking for global experts to identify innovative ways to manage and deliver their services.

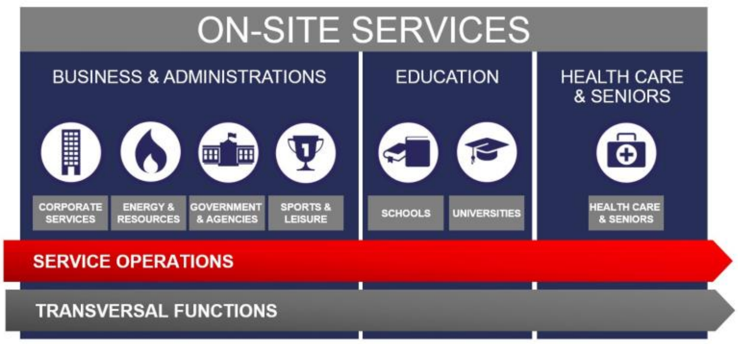
Sodexo is reinventing the way it does business to deliver on our promise of improving the Quality of Life of those we serve.

Sodexo has built significant expertise and a profound understanding of the markets where the Group operates, by segment and sub-segment. It has established strong intimacy with its clients.

To seize market opportunities estimated at 700 billion euro, accelerate growth, become sustainably more competitive over time, and consolidate its position as worldwide leader in Quality of Life services, Sodexo is leveraging its global reach to:

- further create unique value for clients and customers, and
- take advantage of the Group's scale and knowledge to consistently deliver best-in-class services.

To this end, the Group has progressively adapted the way it does business, building an organization by global segment to better support clients wherever they are, both locally and internationally and by global function to ensure optimized and standardized processes in all product offers and functional activities.



In order to fully reflect the reorganization of the On-site activities by global client segments, from September 2015, the segment reporting needed to change. As a result, from Fiscal 2017, quarterly revenues and half-year profits will be published by global client segment rather than by geography.

On-Site Services restated Fiscal 2016 revenues

By global client segment, and then by geography

Revenues *(in millions of euro)*	Revenues YTD Q1 Fiscal 16	Revenues YTD H1 Fiscal 16	Revenues YTD 9M Fiscal 16	Revenues YTD FY Fiscal 16	% of total FY 16 revenues
Business & Administrations	**2,808**	**5,322**	**7,869**	**10,433**	**52%**
North America	584	1,148	1,729	2,340	
Europe (including UK & Ireland)	1,579	2,930	4,274	5,578	
Africa, Asia, Australia, Latam & Middle East	645	1,243	1,866	2,515	
Health Care & Seniors	**1,204**	**2,419**	**3,647**	**4,868**	**24%**
North America	778	1,568	2,363	3,171	
Europe (including UK & Ireland)	382	762	1,143	1,501	
Africa, Asia, Australia, Latam & Middle East	44	90	141	196	
Education	**1,377**	**2,465**	**3,622**	**4,169**	**21%**
North America	1,091	1,924	2,809	3,195	
Europe (including UK & Ireland)	267	508	761	909	
Africa, Asia, Australia, Latam & Middle East	19	33	51	65	
ON-SITE SERVICES	**5,388**	**10,206**	**15,137**	**19,470**	**96%**
North America	2,453	4,640	6,901	8,706	
Europe (including UK & Ireland)	2,228	4,200	6,179	7,988	
Africa, Asia, Australia, Latam & Middle East	708	1,366	2,057	2,776	
BENEFITS & REWARDS SERVICES	**186**	**393**	**576**	**780**	**4%**
Elimination of intra-group revenues	(1)	(3)	(4)	(5)	
TOTAL GROUP	**5,573**	**10,596**	**15,709**	**20,245**	**100%**

Restated Fiscal year Segment P&L reporting

Fiscal 2016 *(in millions of euro)*	On-site Services	Business & Administrations	Health Care & Seniors	Education	Benefits & Rewards Services	Eliminations & Corporate expenses	Total Group before exceptional expenses	Unallo-cated[1]	Total Group
FY Fiscal 2016									
Revenues	19,470	10,433	4,868	4,169	780	(5)	20,245	-	20,245
Operating profit	1,062	492	310	260	262	(121)	1,203	(108)	1,095
Operating margin	5.5%	4.7%	6.4%	6.2%	33.6%	-	5.9%	-	
H1 2016									
Revenues	10,206	5,322	2,419	2,465	393	(3)	10,596	-	10,596
Operating profit	587	222	132	233	133	(62)	658	(37)	621
Operating margin	5.8%	4.2%	5.5%	9.4%	33.8%	-	6.2%	-	

[1] *Exceptional expenses linked to the Adaptation and Simplification program*

Figures at published H1'16 and FY'16 rates.

Alternative Performance measure definitions

Exceptional expenses

Exceptional expenses are the costs of implementation of the Adaptation and Simplification program of which €108m were booked in Fiscal 2016 and which is expected to be completed by February 2017.

Issue volume

Issue volume corresponds to the total face value of service vouchers, cards and digitally-delivered services issued by the Group (Benefits & Rewards Services activity) for beneficiaries on behalf of clients.

Operating profit before exceptional expenses

Reported Operating Profit excluding exceptional expenses (€108m in Fiscal 2016).

Organic growth

Organic growth corresponds to the increase in revenue for a given period (the "current period") compared to the revenue reported for the same period of the prior fiscal year, calculated using the exchange rate for the prior fiscal year; and excluding the impact of business acquisitions and divestments, as follows:

- For businesses acquired during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- For businesses acquired during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded;
- For businesses divested during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded;
- For businesses divested during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.

For countries with hyperinflationary economies all figures are converted at the latest closing rate for both periods. As a result, for the calculation of organic growth, Benefits & Rewards Services figures for Fiscal 2016 and Q1 Fiscal 2017 in Venezuelan Bolivar, have been converted at the exchange rate of US$ 1 = VEF 663 (vs VEF 645 for fiscal 2016).