

Issy-les-Moulineaux, July 2, 2024 (7am)  
Sodexo (Euronext Paris FR 0000121220-OTC: SDXAY)

## Sodexo Q3 Fiscal 2024: continued robust growth, in line with expectations

- Organic Revenue growth of +6.8%, or +7.2% excluding accounting change
- Fiscal 2024 guidance confirmed:
  - Organic growth at the top of the +6% to +8% range
  - Underlying operating profit margin improvement of +30 to +40 bps, at constant currencies

### Q3 FISCAL 2024 REVENUES

REVENUES (in million euros)	Q3 FY24	Q3 FY23	ORGANIC GROWTH	EXTERNAL GROWTH	CURRENCY EFFECT	TOTAL GROWTH
North America	2,904	2,658	+9.0%	-0.4%	+0.6%	+9.2%
Europe	2,096	2,042	+5.4%	-2.7%	—%	+2.7%
Rest of the World	1,074	1,055	+3.6%	+0.6%	-2.3%	+1.9%
<b>SODEXO</b>	<b>6,074</b>	<b>5,755</b>	<b>+6.8%</b>	<b>-1.0%</b>	<b>-0.2%</b>	<b>+5.6%</b>

The accounting change in Rest of the World (ROW) weighed on the Group's growth by -0.4% and on ROW growth by -2.3%.

### Commenting on the third quarter activity, Sophie Bellon, Sodexo Chairwoman and CEO, said:

*"We have continued to deliver solid organic growth of +6.8% in the third quarter, up +8.6% in Food services and +3.5% in FM services. This performance is in line with our expectations, allowing us to confirm our full year guidance.*

*Our commercial momentum in Food services remains strong, driven by continued first-time outsourcing opportunities, the ramp-up of new operating models and the quality of our branded offers.*

*Our strategic initiatives are delivering results as we advance with our focus on tasty, healthy, and sustainable food offerings, strong digital features to enhance consumer experience, and increased selectivity in FM.*

*As we complete our final preparations to open the largest restaurant in the world, the teams are excited to showcase our sustainable culinary expertise and contribute to making the Paris 2024 Olympic and Paralympic Games a memorable event!*

*We are decisively progressing towards our ambition to be the world leader in sustainable food and valued experiences."*

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## Highlights of the period

- Third quarter Fiscal 2024 **consolidated revenues** reached **6.1 billion euros**, up +5.6% year-on-year including a negative currency impact of -0.2%, a net contribution from acquisitions and disposals of -1.0% and **Organic revenue growth** of +6.8%.
- **Organic growth** was impacted by an accounting change for project works in a large contract in Rest of the World. Excluding this, third quarter organic growth stood at +7.2%. The sequential slowdown in growth compared to the second quarter was explained by, on the one hand, lower pricing effect and a higher comparative base in the third quarter, and, on the other hand, a positive leap year impact in the second quarter.
- About half of the organic growth was fueled by pricing which has fallen below 4% in the quarter. The remaining half reflects the net new business contribution and some volume growth.
- By geography:
  - **North America** achieved Organic growth of +9.0%. The ongoing return to the workplace and a strong performance of Sodexo Live!, particularly in the airline lounges, continue to drive growth, as well as the contribution of new business and pricing.
  - **Europe** was up +5.4% organically, holding up well despite the sequential slowdown in the pricing impact, with increased volumes and the contribution of net new business.
  - **Rest of the World** was up +3.6% organically, or +5.9% excluding the accounting change, slowing from the second quarter notably due to a deceleration in price increases, and a mixed performance between regions, with strong growth in India and Australia and a slowdown in China and Chile.
- Food services organic growth, at +8.6%, continued to outpace FM services, at +3.5%, or +4.7% excluding the accounting change.
- At its meeting of June 27, 2024, the Board of Directors decided to create a **Board-level Sustainability Committee** starting October 2024. This committee will play a pivotal role in the governance of Sodexo's sustainability initiatives and their alignment with the long-term business goals. Key responsibilities of the committee will include:
  - Sustainability oversight to monitor and evaluate goals, initiatives, and performance;
  - Ethical governance to ensure adherence to highest ethical standards;
  - Stakeholder engagement;
  - Promotion of innovation and best CSR practices;
  - Reporting and transparency quality.

The Sustainability Committee will include 7 Sodexo's Board members, with expertise in sustainability, ethics, and corporate governance. It will be chaired by Véronique Laury, who has a long-standing commitment to driving sustainable and responsible business practices. By creating this committee, Sodexo reinforces its commitment to sustainable and ethical business practices and a better tomorrow for its employees, its communities, and the planet.

## Outlook

Third quarter 2024 activity was in line with expectations. Consequently, Fiscal 2024 guidance is confirmed:

- **Organic revenue growth is expected at the top of the +6 to +8% range;**
- **Underlying operating profit margin is anticipated to grow by +30 to 40 bps at constant rates.**

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## Conference call

Sodexo will hold a conference call (in English) today at 9:00 a.m. (Paris time), 8:00 a.m. (London time) to comment on its Q3 Fiscal 2024 revenues.

Those who wish to connect:

- From the UK: +44 121 281 8004, or
- From France: +33 1 70 91 87 04, or
- From the US: +1 718 705 8796,

Followed by the access code **07 26 13**.

The live audio webcast will be available on [www.sodexo.com](http://www.sodexo.com)

The press release, presentation and webcast will be available on the Group website [www.sodexo.com](http://www.sodexo.com) in both the “Newsroom” section and the “Investors – Financial Results” section.

## Financial calendar

Fiscal 2024 Full year Results	October 24, 2024
Fiscal 2024 Annual Shareholders Meeting	December 17, 2024
Fiscal 2025 First quarter Revenues	January 07, 2025

These dates are indicative and may be subject to change without notice.  
Regular updates are available in the calendar on our website [www.sodexo.com](http://www.sodexo.com)

## About Sodexo

Founded in Marseille in 1966 by Pierre Bellon, Sodexo is the global leader in sustainable food and valued experiences at every moment in life: learn, work, heal and play. The Group stands out for its independence, its founding family shareholding and its responsible business model. Thanks to its two activities of Food and Facilities Management Services, Sodexo meets all the challenges of everyday life with a dual goal: to improve the quality of life of our employees and those we serve, and contribute to the economic, social and environmental progress in the communities where we operate. For Sodexo, growth and social commitment go hand in hand. Our purpose is to create a better everyday for everyone to build a better life for all.

Sodexo is included in the CAC Next 20, Bloomberg France 40, CAC 40 ESG, CAC SBT 1.5, FTSE 4 Good and DJSI indices.

## Key figures

- 22.6 billion euros Fiscal 2023 consolidated revenues
- 430,000 employees as at August 31, 2023
- #1 France-based private employer worldwide
- 45 countries
- 80 million consumers served daily
- 12.6 billion euros in market capitalization (as at July 1, 2024)

### Contacts

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# Q3 Fiscal 2024 Activity Report

## Continued robust growth in revenues, in line with expectations

### REVENUES BY ZONE

REVENUES (in million euros)	Q3 FY24	Q3 FY23	ORGANIC GROWTH	EXTERNAL GROWTH	CURRENCY EFFECT	TOTAL GROWTH
North America	2,904	2,658	+9.0%	-0.4%	+0.6%	+9.2%
Europe	2,096	2,042	+5.4%	-2.7%	—%	+2.7%
Rest of the World	1,074	1,055	+3.6%	+0.6%	-2.3%	+1.9%
<b>SODEXO</b>	<b>6,074</b>	<b>5,755</b>	<b>+6.8%</b>	<b>-1.0%</b>	<b>-0.2%</b>	<b>+5.6%</b>

In the third quarter Fiscal 2024, Sodexo revenues reached **6.1 billion euros**, up +5.6% year-on-year including a negative currency impact of -0.2% and a net contribution from acquisitions and disposals of -1.0%.

Consequently, organic growth for the third quarter Fiscal 2024 was +6.8%, or +7.2% when adjusted for the negative impact of an accounting change for project works in a large contract in Rest of the World. The sequential slowdown in growth compared to the second quarter was explained by, on the one hand, lower pricing effect and a higher comparative base in the third quarter, and, on the other hand, a positive leap year impact in the second quarter.

About half of the organic growth was fueled by pricing which has fallen below 4% in the quarter. The remaining half reflects the net new business contribution and some volume growth.

Organic growth in the quarter was driven by Food services, up +8.6%, whereas FM services were up +3.5%, or +4.7% when adjusted for the accounting change in Rest of the World.

### North America

REVENUES BY SEGMENT (in million euros)	Q3 FY24	Q3 FY23	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	780	959	+12.1%
Sodexo Live!	388	—	+30.7%
Healthcare & Seniors	869	855	+5.6%
Education	867	844	+2.4%
<b>NORTH AMERICA TOTAL</b>	<b>2,904</b>	<b>2,658</b>	<b>+9.0%</b>

<sup>(1)</sup> From H1 FY24, Business & Administrations excludes Sodexo Live!, reported separately.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

In the third quarter Fiscal 2024, **North America** revenues totaled **2.9 billion euros**, up +9.0% organically. The ongoing return to the workplace and a strong performance of Sodexo Live!, particularly in the airline lounges, continue to drive growth, as well as the contribution of new business and pricing.

Within **Business & Administrations**, restated organic growth reached +12.1%, propelled by new business, strong growth in Food services from continued return to office and cross-sales, as well as project works and strong retail sales growth.

**Sodexo Live!** restated organic growth was +30.7%, driven by robust activity in all venues, and in particular strong per capita spend in sports stadiums and elevated attendance at conference centers and cultural destinations. Airline lounges also saw strong growth driven by higher passenger count, additional services and mobilization of new business.

**Healthcare & Seniors** restated organic growth was +5.6%, supported by strong performance in Healthcare through a combination of price increases, volume growth in particular in retail, and positive net new contribution. This growth was somewhat offset by Seniors contract losses at the end of the prior fiscal year.

In **Education**, restated organic revenue growth was +2.4%, affected by a calendar impact in Universities and the reduction in number of sites of a large schools contract.

## Europe

REVENUES BY SEGMENT (in million euros)	Q3 FY24	Q3 FY23	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	1,179	1,324	+5.9%
Sodexo Live!	137	—	-0.4%
Healthcare & Seniors	466	531	+4.4%
Education	314	187	+7.7%
<b>EUROPE TOTAL</b>	<b>2,096</b>	<b>2,042</b>	<b>+5.4%</b>

<sup>(1)</sup> From H1 FY24, Business & Administrations excludes Sodexo Live!, reported separately.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

In **Europe**, third quarter Fiscal 2024 revenues amounted to **2.1 billion euros**, up +5.4% organically, holding up well despite the sequential slowdown in the pricing impact, due to increased volumes and the contribution of net new business.

In **Business & Administrations**, restated organic growth was +5.9%. This was supported by Corporate services, benefiting from both price increases, volume growth and new openings, coupled with new Government business in the United Kingdom. Türkiye also contributed with very strong growth, helped by pricing pass-through.

**Sodexo Live!** restated organic growth was slightly negative at -0.4%, affected by the base effect of ticketing for the World Baseball Classic Hospitality in Japan last year. Excluding this impact, restated organic growth was +6.2%, driven by strong overall activity in France especially in sports and cultural venues and event catering.

**Healthcare & Seniors** restated organic growth stood at +4.4%, driven by inflation pass-through in the United Kingdom, new business particularly in Spain along with price revisions and new openings in France.

**Education** restated organic revenue growth was +7.7%, reflecting the significant positive impact of price revisions in the UK and in France.

## Rest of the World

REVENUES BY SEGMENT (in million euros)	Q3 FY24	Q3 FY23	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	932	946	+2.7%
Sodexo Live!	12	—	+88.3%
Healthcare & Seniors	82	83	+3.9%
Education	48	26	+10.8%
<b>REST OF THE WORLD TOTAL</b>	<b>1,074</b>	<b>1,055</b>	<b>+3.6%</b>

<sup>(1)</sup> From H1 FY24, Business & Administrations excludes Sodexo Live!, reported separately.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

**Rest of the World** third quarter Fiscal 2024 revenues totaled **1.1 billion euros**, up +3.6% organically, impacted by the change in revenue recognition on project activity in Energy & Resources. Excluding this impact, the organic growth was +5.9%, a slowdown from the second quarter, due to a deceleration in price increases, and a slowdown in China and Chile.

**Business & Administrations** restated organic growth was +2.7%, or +5.3% excluding the accounting change. Growth continues to be particularly strong this quarter in India driven by new business and additional volumes on existing sites, and in Australia fueled by strong development and price renegotiation. Chile experienced a deceleration in growth in this quarter due to lower price increases and the end of several Energy & Resources fixed-term projects. In China, the activity was affected by downsizing in the tech sector.

**Sodexo Live!** revenues (principally airline lounges) almost doubled due to the opening of new lounges in Hong Kong.

**Healthcare & Seniors** restated organic growth was +3.9%, with strong growth in India and Latin America, somewhat offset by Brazil and China.

**Education** restated organic growth was +10.8%, fueled by new business and ramp ups in existing sites in Brazil and India.

## CURRENCY EFFECTS

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

1€=	AVERAGE RATE 9M FY 2024	AVERAGE RATE 9M FY 2023	AVERAGE RATE 9M FY 2024 VS. 9M FY 2023	CLOSING RATE AT 05/31/2024	CLOSING RATE AT 08/31/2023	CLOSING RATE 05/31/2024 VS. 08/31/2023
U.S. dollar	1.081	1.049	-3.0%	1.085	1.087	+0.1%
Pound sterling	0.861	0.875	+1.6%	0.854	0.857	+0.4%
Brazilian real	5.400	5.443	+0.8%	5.642	5.308	-5.9%

The negative currency impact for third quarter Fiscal 2024 of -0.2% results from the depreciation of the Chilean Peso and the Turkish Lira, mainly offset by the appreciation of the British pound.

The currency effect is determined by applying the previous year's average exchange rates to the current year figures.

## FINANCIAL POSITION

Apart from the seasonal changes in working capital, there were no material changes in the Group's financial position as of May 31, 2024, relative to that presented in the Fiscal 2023 Universal Registration Document filed with the AMF on November 3, 2023 and the Interim Financial Report published on April 19, 2024.

## 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 2023 Universal Registration Document filed with the AMF on November 3, 2023.

## ALTERNATIVE PERFORMANCE MEASURE DEFINITIONS

### Growth excluding currency effect

The currency effect is determined by applying the previous year's average exchange rates to the current year figures except in hyperinflationary economies where all figures are converted at the latest closing rate for both periods when the impact is significant.

### 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 (or gain of control) and divestments, as follows:

- for businesses acquired (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- for businesses acquired (or gain of control) 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 (or loss of control) 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 (or loss of control) 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.

### Underlying operating profit margin

The Underlying operating profit margin corresponds to Underlying operating profit divided by revenues.

### Underlying operating profit margin at constant rates

The Underlying operating profit margin at constant rates corresponds to Underlying operating profit divided by revenues, calculated by converting 2024 figures at Fiscal 2023 rates, except for countries with hyperinflationary economies.

## New segment reporting following evolution of the organization

As part of the streamlining of the organization, from Fiscal 2024, some contracts or operations have been reallocated between segments, with main impacts in Europe from Healthcare & Seniors to Education.

Restated revenue breakdown for Fiscal 2023:

REVENUES (in million euros)	Fiscal 2023		Q1 2023		Q2 2023		Q3 2023		Q4 2023	
	Published	Restated	Published	Restated	Published	Restated	Published	Restated	Published	Restated
<b>North America</b>	<b>10,479</b>	<b>10,479</b>	<b>2,992</b>	<b>2,992</b>	<b>2,506</b>	<b>2,506</b>	<b>2,658</b>	<b>2,658</b>	<b>2,322</b>	<b>2,322</b>
Business & Administrations	3,865	2,723	1,009	699	874	641	959	679	1,023	704
Sodexo Live!	--	1,184	--	327	--	248	--	296	--	312
Healthcare & Seniors	3,440	3,399	877	866	844	831	856	844	863	858
Education	3,173	3,173	1,106	1,100	788	786	844	839	436	448
<b>Europe</b>	<b>8,071</b>	<b>8,071</b>	<b>2,047</b>	<b>2,047</b>	<b>1,980</b>	<b>1,980</b>	<b>2,042</b>	<b>2,042</b>	<b>2,002</b>	<b>2,002</b>
Business & Administrations	5,337	4,464	1,337	1,125	1,296	1,110	1,324	1,115	1,380	1,114
Sodexo Live!	--	599	--	141	--	118	--	138	--	202
Healthcare & Seniors	2,026	1,950	504	470	505	481	531	498	487	500
Education	708	1,059	206	311	179	271	187	291	136	185
<b>Rest of the World</b>	<b>4,087</b>	<b>4,087</b>	<b>1,057</b>	<b>1,057</b>	<b>998</b>	<b>998</b>	<b>1,055</b>	<b>1,055</b>	<b>978</b>	<b>978</b>
Business & Administrations	3,659	3,546	941	914	898	871	946	916	874	845
Sodexo Live!	--	23	--	3	--	5	--	6	--	9
Healthcare & Seniors	337	376	87	95	81	92	83	93	87	96
Education	91	142	29	45	19	30	26	39	17	28
<b>Sodexo</b>	<b>22,637</b>	<b>22,637</b>	<b>6,097</b>	<b>6,097</b>	<b>5,484</b>	<b>5,484</b>	<b>5,755</b>	<b>5,755</b>	<b>5,301</b>	<b>5,301</b>

## REVENUE FOR THE FIRST 9 MONTHS FISCAL 2024

REVENUES (in million euros)	9M FY24	9M FY23	ORGANIC GROWTH	EXTERNAL GROWTH	CURRENCY EFFECT	TOTAL GROWTH
North America	8,660	8,157	+9.7%	-0.2%	-3.3%	+6.2%
Europe	6,350	6,068	+7.1%	-2.1%	-0.4%	+4.6%
Rest of the World	3,165	3,110	+5.0%	-0.2%	-3.0%	+1.8%
<b>SODEXO</b>	<b>18,175</b>	<b>17,335</b>	<b>+7.9%</b>	<b>-0.9%</b>	<b>-2.2%</b>	<b>+4.8%</b>

REVENUES BY SEGMENT (in million euros)	9M FY24	9M FY23	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	8,536	9,585	+7.2%
Sodexo Live!	1,560	—	+24.3%
Healthcare & Seniors	4,224	4,367	+6.0%
Education	3,855	3,383	+6.2%
<b>SODEXO</b>	<b>18,175</b>	<b>17,335</b>	<b>+7.9%</b>

<sup>(1)</sup> From H1 FY24, Business & Administrations excludes Sodexo Live!, reported separately.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

REVENUES BY SEGMENT (in million euros)	9M FY24	9M FY23	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	2,250	2,842	+12.8%
Sodexo Live!	1,064	—	+25.9%
Healthcare & Seniors	2,556	2,578	+6.1%
Education	2,790	2,737	+5.6%
<b>NORTH AMERICA TOTAL</b>	<b>8,660</b>	<b>8,157</b>	<b>+9.7%</b>

<sup>(1)</sup> From H1 FY24, Business & Administrations excludes Sodexo Live!, reported separately.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

REVENUES BY SEGMENT (in million euros)	9M FY24	9M FY23	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	3,534	3,957	+6.1%
Sodexo Live!	462	—	+16.5%
Healthcare & Seniors	1,416	1,539	+6.6%
Education	938	572	+7.4%
<b>EUROPE TOTAL</b>	<b>6,350</b>	<b>6,068</b>	<b>+7.1%</b>

<sup>(1)</sup> From H1 FY24, Business & Administrations excludes Sodexo Live!, reported separately.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.

REVENUES BY SEGMENT (in million euros)	9M FY24	9M FY23	RESTATED ORGANIC GROWTH <sup>(2)</sup>
Business & Administrations <sup>(1)</sup>	2,752	2,786	+4.3%
Sodexo Live!	34	—	+146.4%
Healthcare & Seniors	252	250	+2.2%
Education	127	74	+10.6%
<b>REST OF THE WORLD TOTAL</b>	<b>3,165</b>	<b>3,110</b>	<b>+5.0%</b>

<sup>(1)</sup> From H1 FY24, Business & Administrations excludes Sodexo Live!, reported separately.

<sup>(2)</sup> As part of the streamlining of the organization during Fiscal 2023, some contracts or operations have been reallocated between segments.