

Sodexo announces 10.5% increase in revenues for first quarter Fiscal 2011, with 4.7% organic growth

- **Organic growth:**
 - On-site Service Solutions: + 4.6%
 - Motivation Solutions: + 7.2%
- **Positive currency impact of + 5.9%**

Paris, January 12, 2011 - SODEXO (NYSE Euronext Paris FR0000121220 – SW OTC:SDXAY), world leader in Quality of Daily Life Solutions, today announced revenue for the first quarter of Fiscal 2011, which ended November 30, 2010.

Revenue by activity and geographic region

In millions of euro	Q1 Fiscal 2011	Q1 Fiscal 2010	Organic growth ⁽²⁾	Currency impact	Total change
• North America	1,733	1,522	+ 3.9%	+ 10%	+ 13.9%
• Continental Europe	1,436	1,374	+ 3.6%	+ 1%	+ 4.6%
• UK and Ireland	315	295	+ 1.8%	+ 5.1%	+ 6.9%
• Rest of the World	623	510	+ 11%	+ 11.3%	+ 22.1%
On-site Service Solutions ⁽¹⁾	4,108	3,701	+ 4.6%	+ 6.5%	+ 11%
Motivation Solutions ⁽¹⁾	164	166	+ 7.2%	- 8.3%	- 1.1%
Intra-group eliminations	- 4	- 4			
Consolidated total	4,268	3,862	+ 4.7%	+ 5.9%	+ 10.5%

Commenting on these figures, Sodexo CEO Michel Landel said:

“The first three months of Fiscal 2011 are in line with our expectations. Our organic growth is a result of the quality and relevance of our offer for our clients, who increasingly demand comprehensive service solutions, and of the daily efforts of Sodexo’s 380,000 employees. While the economic environment causes us to continue to be cautious, we reaffirm our objectives for the current fiscal year and the medium term.”

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

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

Exchange rate changes

The total increase in revenues was 10.5% compared to the same period last year and includes a positive currency effect of 5.9% resulting, in particular, from the evolution of the U.S. Dollar the Pound Sterling and most Latin American currencies.

It should be noted that, contrary to exporting companies, the revenue and expenses of Sodexo subsidiaries are denominated in the same currency. Consequently, foreign exchange variations do not have operational risk.

Analysis of Group organic growth

In millions of euro	First Quarter Fiscal 2011	First Quarter Fiscal 2010	Organic growth
Corporate	1,928	1,723	+ 6.2%
Health Care and Seniors	1,035	943	+ 3.1%
Education	1,145	1,035	+ 3.2%
On-site Service Solutions - total	4,108	3,701	+ 4.6%
Motivation Solutions	164	166	+ 7.2%
Eliminations	- 4	- 4	
TOTAL	4,268	3,862	+ 4.7%

On-site Service Solutions

Organic revenue growth in **Corporate** became positive again in North America, Continental Europe and the UK and benefited from the start-up of new comprehensive service solutions contracts signed in prior quarters with clients such as the French Justice Ministry. Sodexo's performance in Latin America and Asia also contributed to the acceleration of growth in the first quarter.

Revenues in **Education**, **Health Care** and **Seniors** continued to progress although activity was still affected by moderate new business development during the past 12 months.

Motivation Solutions

Organic growth for the first three months was at the same level as for Fiscal 2010.

Analysis of organic revenue growth - On-site Service Solutions

North America

In millions of euro	First Quarter Fiscal 2011	First Quarter Fiscal 2010	Organic growth
Corporate	331	294	+ 2.3%
Health Care and Seniors	595	516	+ 5.2%
Education	807	712	+ 3.5%
TOTAL	1,733	1,522	+ 3.9%

Organic growth returned in **Corporate**, at + 2.3%, following the start-up of comprehensive service solutions contracts for clients such as GlaxoSmithKline, Campbell Soup and British Aerospace. At the same time, on-site patronage levels and foodservices spending by consumers varied little compared to the same period last year reflecting the lack of hiring by Sodexo clients. New contract wins included Bristol-Myers Squibb (6 sites in multiple states), Automatic Data Processing (ADP) (California and Utah) and Medtronic (Puerto Rico).

Organic growth in **Health Care and Seniors** accelerated to + 5.2%, reflecting the excellent client retention rate achieved in Fiscal 2010 and higher growth on existing sites as a result of expanded services for certain clients and slight inflation.

New clients include Saint Vincent Medical Center (Los Angeles, California) and St Johnland Nursing Center (Kings Park, New York).

Increased enrollment on university campuses and in schools contributed to organic growth in Education of + 3.5%. New contracts signed during the first quarter included Garvey School District (Rosemead, California).

Continental Europe

In millions of euro	First Quarter Fiscal 2011	First Quarter Fiscal 2010	Organic growth
Corporate	817	769	+ 5.1%
Health Care and Seniors	348	340	+ 1.5%
Education	271	265	+ 1.6%
TOTAL	1,436	1,374	+ 3.6%

Despite the continued difficult economic environment, **Corporate** recorded organic growth of + 5.1%. This growth resulted essentially from new contracts such as with the French Justice Ministry (management of 27 correctional facilities), Axa and General Electric in Germany and by continued new business development in Central Europe. Several new contracts were won by Sodexo teams including the Defense Ministry (5 sites), Immeuble Carré Pleyel, Alstom GRID, GAN Elysées and RIE Tour 9 in France, Sirius Business Park Siemens in Germany and Valimotie 21 in Finland.

In **Health Care and Seniors**, organic revenue growth of + 1.5%, reflected weak existing site growth and still modest development as a result of slower decision-making by potential clients. Recent new contracts won by Sodexo include the Hospital of Pisa (AOUP) and the Ospedale San Giuseppe Grupo Multimedita in Italy and Maasstad Ziekenhuis in the Netherlands.

In **Education**, organic growth of + 1.6% reflected good new business development last year in Sweden and Italy but also the effect of the autumn 2010 strikes in France (lost business days). Recent successes include contracts won with the schools of Muggio and the University of Pavia in Italy.

UK and Ireland

In millions of euro	First Quarter Fiscal 2011	First Quarter Fiscal 2010	Organic growth
Corporate	222	201	+ 5.4%
Health Care and Seniors	58	61	- 10.1%
Education	35	33	+ 2.6%
TOTAL	315	295	+ 1.8%

At + 5.4%, organic growth returned in **Corporate** reflecting:

- the start-up of comprehensive service solutions contracts for clients such as Johnson & Johnson and GlaxoSmithKline ;
- increased activity in Defense and Justice.

The decline of 10.1% in **Health Care and Seniors** is explained in part by the lack of development last year as uncertainties weighed on public budgets, as well as the non-renewal by King's College Hospital London of a portion of the services that had previously been outsourced to Sodexo.

Finally, the return to growth in **Education** (+ 2.6%) reflects successful development in universities, particularly for "hotel-style" services on the Solent, Medway and Lincoln campuses.

Rest of the World

In millions of euro	First Quarter Fiscal 2011	First Quarter Fiscal 2010	Organic growth
Corporate	557	459	+ 10.9%
Health Care and Seniors	34	26	+ 13.1%
Education	32	25	+ 10%
TOTAL	623	510	+ 11%

In the **Rest of the World (Latin America, Africa, the Middle East, Asia, Australia and Remote Sites)**, growth accelerated to + 11% with strong new business development in Latin America, particularly in Brazil and Chile, in Asia and in Remote Sites.

Several new contracts were won including Andrew Telecommunications and Toshiba Elevators as well as the expansion of the contract with Nokia in China, ETH in Brazil, Compania Minera Zaldivar/Barrick in Chile, Caltex Narranderra in Australia, Volkswagen India Pvt Ltd and Medanta The Medicity in India, Emirates National School (Abu Dhabi and Al Ain).

Analysis of organic growth - Motivation Solutions

Issue volume reached 3.4 billion euro in the first quarter, with organic growth of + 7.3% compared to the first quarter last year.

Organic revenue growth of + 7.2% reflects:

- An increase in the number of beneficiaries and face value in Latin America, which largely offset continued difficult conditions in Central Europe;
- Pressure on client commissions related to strong competition in certain countries.

Recent commercial successes include Life Insurance Corporation, the activity's largest contract in India with 70,000 beneficiaries, Gas Authority of India and Coca-Cola in Poland.

Financial position

The Group's solid financial position has not varied since August 31, 2010, the end of the fiscal year, and the debt ratio (net financial debt to equity) remains below 25%.

Objectives for Fiscal 2011

The Group confirms the objectives for Fiscal 2011 set last November:

- organic revenue growth between 3% and 4%;
- operating profit growth of 10%, at constant rates.

Conference call and Internet webcast

SODEXO will hold a conference call today at 8:30 a.m. (Paris time), to comment on revenue for the first quarter of Fiscal 2011. Persons wishing to participate are invited to dial + 44 (0)20 7162 0125, followed by the passcode 884527. The press release and the presentation will be available on the Group website: www.sodexo.com under the "latest news" section beginning at 7:00 a.m. A recording of the conference will be available by dialing +44 (0)20 7031 4064, followed by the passcode 884527.

In addition, the conference call will be broadcast on the Internet (webcast) with simultaneous audio (available on www.sodexo.com) and available from the archives for twelve months.

Availability of information

Sodexo's quarterly financial information is available on Sodexo's website: www.sodexo.com

A selection of awards and recognition received by Sodexo throughout the world is available on [Sodexo website](#).

Financial communications calendar

General Shareholders Meeting: January 24, 2011, Issy-les-Moulineaux

Fiscal 2011 first-half results: April 21, 2011. Publication by press release prior to the opening of Paris Euronext, followed by a conference call.

This date is indicative only and remains subject to change.

About Sodexo

Sodexo, world leader in Quality of Daily Life Solutions

Quality of Life plays an important role in the progress of individuals and the performance of organizations. Based on this conviction, Sodexo acts as the strategic partner for companies and institutions that place a premium on performance and employee well-being, as it has since Pierre Bellon founded the company in 1966. Sharing the same passion for service, Sodexo's 380,000 employees in 80 countries design, manage and deliver an unrivaled array of On-site Service Solutions and Motivation Solutions. Sodexo has created a new form of service business that contributes to the fulfillment of its employees and the economic, social and environmental development of the communities, regions and countries in which it operates.

Key Figures (as of August 31, 2010)

15.3 billion euro consolidated revenue
380,000 employees
22nd largest employer and **2nd** largest French employer worldwide
34,000 sites
50 million consumers served daily
80 countries
8.4 billion euro market capitalization (as of 11 January, 2011)

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 we assume no obligation to update them. You are cautioned not to place undue reliance on our forward looking statements.

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Appendix 1 Selected new clients

On-site Service Solutions

Corporate

GAN Elysees (headquarters), Paris La Defense, France (570 people)
Princesse Intercompany restaurant, Louveciennes, France (550 people)
Alstom GRID (headquarters), Puteaux, France (1,400 people)
Bradford and Bingley, 2 sites in Sunderland, United Kingdom (550 people)
Bristol-Myers Squibb, 6 new sites (New York and Syracuse, New York; Devens, Massachusetts; Mt Vernon, Indiana; Humacao and Manati, Puerto Rico, USA (2,047 people)
Automatic Data Processing Inc., 4 sites (La Palma, San Dimas, Buena Park, CA and Salt Lake City, UT), USA (2,870 people)
Medtronic Puerto Rico, Inc., 3 sites in Puerto Rico, USA (3,106 people)
Volkswagen India Pvt. Ltd., Pune, India (4,200 people)
Sirius Businesspark - Siemens Munchen, Munich, Germany (1,000 people)
Bundesbeschaffung GmbH (BBG), Tirol & Vorarlberg, Austria (120 people)
Valimotie 21, Helsinki, Finland (600 people)
Immeuble Carré Playel, Saint-Denis, France (1,300 people)
RIE Tour 9, Montreuil-Sous-Bois, France (1,300 people)
EUROSIC - 52 Hoche, Paris, France (300 people)
Mondi SCP Ruzomberok, Slovakia (1,400 people)
SSAB, Nykoping, Sweden (700)
ETH Taquary Alto, 2 sites (Costa Rica and Taquari Alto), Brazil (3,685 people)
Andrew Telecommunications (China) Co., Ltd., Suzhou, China (2,300 people)
Toshiba Elevator (China) Ltd., Shanghai, China (800 people)
Wuhan City Planning & Design Institution, Wuhan, China (260 people)
Nokia manufacturing sites, Beijing & Dongguan, China
Siderar, San Nicolas, Argentina (600)

Health Care and Seniors

Maastadziekenhuis, Rotterdam, Netherlands (3,600 people)
Mercy Hospital of Philadelphia, Philadelphia, PA, USA (150 beds)
Medanta - The Medicity, Gurgaon (Haryana), India (600 beds)
AOUP Pisa, Pisa, Italy (1,215 beds)
San Giuseppe Gruppo Multimedita Hospital, Milan, Italy (300 beds)
C.C.A.S. Angers, Angers, France (1,300 people)
Clínica Bicentenario - Estacion Central, Santiago, Chile (800 beds)
St. Vincent Medical Center, Los Angeles, California, USA (341 beds)
St. Johnland Nursing Center, Kings Park, New York, USA (250 beds)
Ligue havraise d'aide aux handicapés, 14 sites, Seine Maritime, France

Education

Garvey School District, Rosemead, California, United States (3,700 students)
Emirates National School, Abu Dhabi (2 campuses) and Al Ain (1 campus) (3,100 students)
Comune di Muggiò, Milan, Italy (1,800 students)
Università di Pavia, Pavia, Italy (8,312 students)
World Learning SIT Graduate Institute, Brattleboro, VT, United States (1,270 students)
Universiteit van Tilburg, Tilburg, Netherlands (14,000 students)

Remote Sites

Seadrill, West Gemini (offshore), Angola (108 people)
TASCO Inland Pty Limited, Caltex Narrandera petrol station site, New South Wales, Australia
Noble Drilling, Noble Jim Day - Semisubmersible (200 people)
Ausco Modular Pty Limited Dalby Stayover Village, Queensland Australia (200 people)
Compañía Minera Zaldívar SA / Barrick, Antofagasta, Chile (800)

Defense

Defense Ministry, 5 sites (Houilles, Valence, Lyon Carnot, Lyon Bellecourt and Grenoble), France (2,000 people)

Motivation Solutions

Europe

Belgium

Hôpital Psychiatrique Beau Vallon (Restaurant Pass, 640 beneficiaries)

Bulgaria

St. Georges Hospital (Food Pass, 2,700 beneficiaries)

Spain

Airbus España (Gift Pass, 700 beneficiaries)

France

Mairie de Biarritz (Restaurant Pass, 850 beneficiaries)
Credit Agricole Charente Perigord (Restaurant Pass, 500 beneficiaries)

Italy

FasteWeb (Restaurant Pass, 3,000 beneficiaries)

Poland

Mine Konin (Gift Pass, 4,500 beneficiaries)
Enea Operator (Gift Pass, 2,000 beneficiaries)
Coca-Cola (Gift Pass, 3,200 beneficiaries)

Czech Republic

Generali (Restaurant Pass, 600 beneficiaries)

Romania

Forestry Department of Maramures (Restaurant Pass, 510 beneficiaries)

Latin America

Brazil

Fundacao (Gift Pass, 2,350 beneficiaries)

CNH Latin America (Incentive, 1,500 beneficiaries)

Delta Construções (Food Pass, 1,800 beneficiaries)

Mexico

Temática creativa (Food Pass, 600 beneficiaries)

Fuller Cosmetics Beauty (Food Pass, 1,500 beneficiaries)

Asia

India

Life Insurance Corporation of India (Restaurant Pass, 70,000 beneficiaries)

Gas Authority of India (Restaurant Pass, 2,000 beneficiaries)

Appendix 2

Average exchange rates for principal currencies First Quarter Fiscal 2011

EUR / USD	GBP / EUR	BRL / EUR	VEF*/ EUR
1.343	1.172	0.434	0.093254

* After the effect of the devaluation of the Bolivar Fuerte on January 8, 2010.