

PRESS RELEASE

Sodexo: a dynamic first quarter Fiscal 2016, in line with full year objectives

- **Revenues up +9.6%, including organic growth of +4.7%**
 - **On-site Services: +4.7% organic growth**
 - Rugby World Cup contribution accounting for half of the Q1 organic growth,
 - Acceleration of growth in Health Care and Seniors in North America,
 - Good momentum in integrated services contracts won by the Corporate Services segment in 2015 partly offset by a sharp slowdown in the oil and mining sectors.
 - **Benefits and Rewards Services: +5.3% organic growth**
 - Sustained performance reflecting solid sales development and despite the economic slowdown in Latin America, and more particularly in Brazil.
- **Sodexo confirms its Fiscal 2016 objectives of around +3% organic revenue growth and growth in operating profit of around +8% at constant exchange rates and before exceptional items.**

Revenues by activity and region

Revenues <i>(in millions of euro)</i>	Q1 Fiscal 2016	Q1 Fiscal 2015	Organic growth	Changes in scope of consolidation	Currency effect	Total change
North America	2,434	2,082	+2.9%	+0.1%	+13.9%	+16.9%
Continental Europe	1,509	1,513	+1.0%	-0.4%	-0.9%	-0.3%
Rest of the World	806	891	-4.2%		-5.4%	-9.6%
United Kingdom and Ireland	639	400	+47.6%	+1.2%	+11.1%	+59.9%
Total On-site Services	5,388	4,886	+4.7%		+5.6%	+10.3%
Total Benefits and Rewards Services	186	198	+5.3%	+3.1%	-14.4%	-6.0%
Elimination of intra-group revenues	(1)	(1)				
TOTAL GROUP	5,573	5,083	+4.7%	+0.1%	+4.8%	+9.6%

Issy-les-Moulineaux, January 13, 2016 – Sodexo (NYSE Euronext Paris FR 0000121220-OTC: SDXAY), world leader in Quality of Life Services, today reported its revenues for the first quarter of Fiscal 2016, which ended on November 30, 2015.

Commenting on these figures, Sodexo CEO Michel Landel said:

"First-quarter revenue growth reflected the substantial contribution of the Rugby World Cup contract, an acceleration of growth in the Health Care and Seniors segment in the United States and good momentum in the Corporate Services segment throughout the world. These positive effects, combined with growing demand for our Quality of Life Services offer in most regions, helped limit the impact of the tougher trading environment in the oil and mining sectors and the economic slowdown in Latin America. As a result, we confirm our Fiscal 2016 objectives."

Analysis of the Group's organic growth

<i>(in millions of euro)</i>	Q1 Fiscal 2016	Q1 Fiscal 2015	Organic growth
Corporate	2,689	2,471	+7.5%
Health Care and Seniors	1,253	1,122	+2.7%
Education	1,446	1,293	+1.2%
Total On-site Services	5,388	4,886	+4.7%
Benefits and Rewards Services	186	198	+5.3%
Eliminations	(1)	(1)	
TOTAL GROUP	5,573	5,083	+4.7%

Consolidated revenues for the first quarter of Fiscal 2016 amounted to 5.6 billion euro, an increase of +9.6% over the year-earlier period including organic growth of +4.7%. Changes in the scope of consolidation had a positive impact of +0.1%.

The overall currency effect was a positive +4.8%, reflecting gains of +14.6% for the U.S. dollar and +8.5% for the British pound sterling which had a favorable impact on revenues and offset the significant -28% decline in the Brazilian real as well as the more modest falls of -2.1% in the Chilean peso and -7.7% in the Australian dollar.

On-site Services

- **On-site Services revenues** totaled 5.4 billion euro. Organic growth for the quarter was **+4.7%**, half of which represented the contribution of the Rugby World Cup contract. Organic growth also reflected the success of Sodexo's integrated services offer and its strategic positioning in Quality of Life Services, with growth remaining stronger in facilities management services (+9.7% in the first quarter) and, on the contrary, sharply lower Remote Site revenues.

Organic growth in the **Corporate Services** segment amounted to **+7.5%**, reflecting several different trends:

- The substantial contribution from the contract to provide hospitality services for the Rugby World Cup that took place in England in September and October 2015 of 131 million euro of revenues. This event alone accounted for about two-thirds of the increase in Corporate Services revenues.
- The ramp-up of the Justice segment contracts in the United Kingdom that were launched in February 2015.
- A significantly more challenging environment in the oil and mining sectors, with in particular the loss of several mining contracts in Chile. Apart from Remote Sites, however, business development momentum remained strong in the Rest of the World region.

The **+2.7%** organic growth in **Health Care and Seniors** reflected acceleration in North America and solid business development in the United Kingdom and the Rest of the World region. Business development remained limited, however, in Continental Europe, particularly France.

The **+1.2%** organic growth in **Education** was led by new contracts in emerging markets and in Continental Europe. Business development in North America remained slow in the first quarter.

Benefits and Rewards Services

Organic growth in **Benefits and Rewards Services** revenues was **+5.3%**. The main growth drivers were:

- Sustained activity in **Latin America** due to good sales momentum in Brazil, offsetting a decline in the number of beneficiaries under existing contracts. Organic growth was **+8.9%**, reflecting increased face values and high interest rates.
- **+1.1%** growth in **Europe** and **Asia**, led by advances in Turkey and Central Europe and modest growth in Western Europe.

Financial position

There were no material changes in the Group's financial position as of November 30, 2015 relative to that presented in the Fiscal 2015 Registration Document published on November 20, 2015.

Fiscal 2016 objectives

As indicated last November, Sodexo's objectives for Fiscal 2016 are:

- **Organic revenue growth of around 3%;**
- **An increase in operating profit of around 8% excluding currency effects and before exceptional items relating to the adaptation and simplification plan.**

Financial calendar

Annual Shareholders' Meeting	January 26, 2016
Ex-dividend date	February 8, 2016
Dividend record date	February 9, 2016
Payment of the Fiscal 2015 dividend	February 10, 2016
Half-year interim results – Fiscal 2016	April 14, 2016
Nine month revenues – Fiscal 2016	July 8, 2016
Annual results – Fiscal 2016	November 17, 2016

Conference call

Sodexo will hold a conference call (in English) today at 8:30 a.m. (Paris time), to comment on revenues for the first quarter of Fiscal 2016. Those who wish to connect 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.

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 will be available until January 27 by dialing +44 (0)1452 550 000, followed by the 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 and 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 and concierge services. Sodexo's success and performance are founded on its independence, its sustainable business model and its ability to continuously develop and engage its 420,000 employees throughout the world.

Key figures (as of August 31, 2015)

- 19.8 billion** euro consolidated revenues
- 420,000** employees
- 19th** largest employer worldwide
- 80** countries
- 32,000** sites
- 75 million** consumers served daily
- 14 billion euro** in market capitalization (as of January 12, 2016)

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.

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 2015 Registration Document filed with the AMF on November 20, 2015.

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APPENDIX 1

Analysis of organic growth in On-site Services

2.1 North America

Revenues

<i>(in millions of euro)</i>	Q1 Fiscal 2016	Q1 Fiscal 2015	Organic growth
Corporate	565	476	+6.0%
Health Care and Seniors	778	650	+4.9%
Education	1,091	956	+0.0%
Total North America	2,434	2,082	+2.9%

On-site Services revenues in North America totaled 2.4 billion euro, an increase of +16.9% compared with the first quarter of Fiscal 2015 including organic growth of +2.9%.

Organic growth in the **Corporate Services** segment was **+6.0%**, reflecting strong demand for facilities management services among clients such as Alexion Pharmaceuticals.

Revenue growth in **Health Care and Seniors** has accelerated to **+4.9%** on an organic basis. This reflects the last impact of the withdrawal from the ManorCare contract and the ramp-up of contracts won at the end of Fiscal 2015, with such clients as Carolinas HealthCare System and Greater Baltimore Medical Center.

In **Education**, revenues remained stable due to the limited number of contracts won during the last business development season.

2.2 Continental Europe

Revenues

<i>(in millions of euro)</i>	Q1 Fiscal 2016	Q1 Fiscal 2015	Organic growth
Corporate	916	908	+2.6%
Health Care and Seniors	323	344	-5.0%
Education	270	261	+3.4%
Total Continental Europe	1,509	1,513	+1.0%

In Continental Europe, revenues totaled 1.5 billion euro, with organic growth at +1%.

Organic growth in the **Corporate Services** segment was **+2.6%**, reflecting solid growth in facilities management services.

The **-5%** decline in **Health Care and Seniors** revenues was mainly due to lower client retention rates and limited business development in recent quarters, particularly in France. Nevertheless, good results were obtained in the Nordic region, with the ramp-up of a contract for the supply of medical equipment for home use to people living in the Östergötland province in Sweden.

In **Education**, the return to growth – with revenues up **+3.4%** – reflected good activity levels in France and Germany as a result of successful business development initiatives.

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

Revenues

<i>(in millions of euro)</i>	Q1 Fiscal 2016	Q1 Fiscal 2015	Organic growth
Corporate	711	804	-6.1%
Health Care and Seniors	56	48	+23.5%
Education	39	39	+1.5%
Total Rest of the World	806	891	-4.2%

In the Rest of the World region, revenues for the first quarter of Fiscal 2016 amounted to 806 million euro, a decrease of -9.6% compared with the year-earlier period on a reported basis and -4.2% excluding the currency effect and changes in the scope of consolidation. Even if this region is strongly impacted by the Remote Sites activity, organic growth excluding Remote Sites was +6%.

Corporate Services revenues were down by **-6.1%** excluding the currency effect and based on a comparable scope of consolidation. Several factors contributed to the decline:

- In the Remote Sites segment, significant declines in oil and commodity prices prompted clients to ask for a downward adjustment of service levels. In Chile, in particular, the strained economic and social environment led several clients to diversify their supplier base in an attempt to limit the effects of strike action. These circumstances led to a -16.1% fall in Remote Sites revenues.
- Excluding Remote Sites, organic revenue growth in Corporate Services remained healthy with contract wins in the Middle East and Asia Pacific regions offsetting the consequences of the significant economic slowdown in Brazil.

In **Health Care and Seniors**, organic growth of **+23.5%** was attributable to contract wins, especially in Latin America and Asia.

The **Education** segment grew by **+1.5%** reflecting solid performance, especially in Brazil and China, somewhat offset by declines in Gabon and Chile.

2.4 United Kingdom and Ireland

Revenues

<i>(in millions of euro)</i>	Q1 Fiscal 2016	Q1 Fiscal 2015	Organic growth
Corporate	497	283	+64.0%
Health Care and Seniors	96	80	+4.9%
Education	46	37	+15.8%
Total United Kingdom and Ireland	639	400	+47.6%

Revenues in the United Kingdom and Ireland came to 639 million euro. The Rugby World Cup was a significant factor behind the +47.6% organic growth for the quarter. Excluding the Rugby World Cup effect, organic growth was still very high at +17.5%, thanks to the many contracts won in Fiscal 2015.

With the favorable change in the euro/pound sterling exchange rate boosting reported revenues by +11.1%, total revenue growth for the quarter was just under +60%.

Corporate Services segment revenue growth was very high, at **+64%**. As explained above, this performance was attributable to the 131-million euro contract to provide hospitality services for the Rugby World Cup during the months of September and October 2015. Excluding the Rugby World Cup effect, organic growth was still high at +21.3% due to the ramp-up of major contracts launched in the second half of 2015 with such clients as GSK and Diageo. Lastly, nearly half of the increase in revenues excluding the Rugby World Cup effect was attributable to the ramp-up of the Transforming Rehabilitation contract launched in February 2015. After the exceptionally large number of contracts won in Fiscal 2015, the pace of business development is expected to be more modest this year due to the resources required to ramp up these new contracts.

In **Health Care and Seniors**, organic growth was a satisfactory **+4.9%**, reflecting the full effects of new contracts launched in the prior year such as the Imperial College Healthcare NHS Trust contract.

In **Education**, revenue growth of **+15.8%** was attributable to several new school contracts and to the ramp-up of the contract with York St John University launched in 2015.

3. Benefits and Rewards Services

3.1 Issue volume

<i>(in millions of euro)</i>	Q1 Fiscal 2016	Q1 Fiscal 2015	Organic growth
Latin America	1,616	2,001	+8.4%
Europe and Asia	2,422	2,206	+3.3%
Total issue volume	4,038	4,207	+5.7%

3.2 Revenues

<i>(in millions of euro)</i>	Q1 Fiscal 2016	Q1 Fiscal 2015	Organic growth
Latin America	88	109	+8.9%
Europe and Asia	98	89	+1.1%
Total revenues	186	198	+5.3%

Organic growth in the **Benefits and Rewards Services** activity remained satisfactory, with **issue volume rising by +5.7% and revenues up +5.3%** despite the economic slowdown in Latin America, especially in Brazil.

In **Latin America**, organic growth continued with increases of **+8.4%** in issue volume and **+8.9%** in revenues. Despite higher unemployment and a reduction in the number of beneficiaries, revenues remained strong in Brazil, thanks to the inflation-driven increase in face values, numerous contract wins especially with SMEs and high interest rates.

In **Europe and Asia**, issue volume rose by **+3.3%** and revenues by **+1.1%** on an organic basis. This performance reflected continued modest growth in Western Europe, and an encouraging performance in Central Europe (especially Romania and the Czech Republic) and further double-digit growth in Turkey.

APPENDIX 2

Exchange rates and currency effect

The main changes in exchange rates during the first quarter of Fiscal 2016 were as follows:

€1 =	Q1 Fiscal 2016 average rate	Q1 Fiscal 2015 average rate	% change	Revenue impact (in millions of euro)	Q1 Fiscal 2016 closing rate	Q1 Fiscal 2015 closing rate	% change
U.S. dollar	1.1034	1.2643	+14.6%	+300	1.0579	1.2483	+18%
Pound sterling	0.7241	0.7855	+8.5%	+49	0.7048	0.7953	+12.8%
Brazilian real	4.2675	3.0737	-28.0%	-82	4.0709	3.1831	-21.8%

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

For Venezuela, the exchange rate used to calculate organic growth in the first quarter of Fiscal 2016 was the same as that used for Fiscal 2015 (USD 1 = VEF 199).