

**Statutory financial statements**  
**BELLON SA**  
**as of December 31, 2010**

**I. INCOME STATEMENT**

	<b>Year ended December 31</b>		
<i>In thousands of euro</i>	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>REVENUES</b>	<b>4 961</b>	<b>6 565</b>	<b>6 776</b>
Other income	-	<b>254</b>	<b>95</b>
Employee costs	(6 098)	(5 276)	(5 709)
Other external charges	(829)	(756)	(678)
Taxes other than income taxes	(175)	(186)	(584)
Amortization, impairment and provisions	-	-	-
<b>OPERATING PROFIT</b>	<b>(2 141)</b>	<b>601</b>	<b>(100)</b>
Financial income	75 532	75 434	68 403
Financial expense	(37 112)	(36 991)	(36 288)
Amortization, impairment and provisions	-	3 397	2
<b>FINANCIAL RESULT</b>	<b>38 420</b>	<b>41 840</b>	<b>32 117</b>
Exceptional income/expense net	-	<b>260</b>	<b>2 078</b>
Profit sharing	(1)		-
Income taxes	-		
<b>NET INCOME</b>	<b>36 278</b>	<b>42 701</b>	<b>34 095</b>

## II BALANCE SHEET

### ASSETS

*In thousands of euro*

#### NON-CURRENT ASSETS, NET

Property, plant and equipment

Financial investments

• **Total non-current assets**

#### CURRENT AND OTHER ASSETS

Accounts receivable

Prepaid expenses, other receivable and  
Other assets

Marketable securities

Cash

• **Total current and other assets**

#### TOTAL ASSETS

As of December 31

2010	2009	2008
-	-	-
1 567 122	1 567 117	1 567 116
<b>1 567 122</b>	<b>1 567 117</b>	<b>1 567 116</b>
-	-	-
31	406	2 185
28 624	27 628	1 028
37 241	121	5
<b>65 896</b>	<b>28 155</b>	<b>3 218</b>
<b>1 633 018</b>	<b>1 595 272</b>	<b>1 570 334</b>

### LIABILITIES AND EQUITY

*In thousands of euro*

#### SHAREHOLDERS' EQUITY

Common stock

Additional paid in capital

Reserves and retained earnings

• **Total Shareholders' equity**

• **Provisions for contingencies and  
losses**

#### LIABILITIES

**Borrowings**

Accounts payable

Other liabilities

• **Total liabilities**

#### TOTAL LIABILITIES AND EQUITY

As of December 31

2010	2009	2008
411	411	411
396 706	396 706	396 706
460 437	430 612	394 364
<b>857 554</b>	<b>827 729</b>	<b>791 481</b>
<b>164</b>	<b>168</b>	<b>168</b>
<b>770 402</b>	<b>763 017</b>	<b>772 973</b>
139	121	131
4 759	4 237	5 581
<b>775 300</b>	<b>767 375</b>	<b>778 685</b>
<b>1 633 018</b>	<b>1 595 272</b>	<b>1 570 334</b>

### III STATEMENT OF CASH FLOWS

	Year ended December 31,		
<i>In thousands of euro</i>	2010	2009	2008
<b>OPERATING ACTIVITIES</b>			
Net income	36 278	42 701	34 095
Amortization, impairment and provisions	(4)	(3 396)	(1 916)
• <b>Cash flow from operations</b>	<b>36 274</b>	<b>39 305</b>	<b>32 179</b>
Change in working capital requirements	911	426	(47)
Non cash financial expenses	7 402	7 539	7 160
<b>Net cash provided by operating activities</b>	<b>44 586</b>	<b>47 270</b>	<b>39 292</b>
<b>INVESTING ACTIVITIES</b>			
Acquisitions of non-current assets	-	(2)	(2 885)
Disposal of non-current assets	-	3 397	4
<b>Net cash used in investing activities</b>	<b>-</b>	<b>3 395</b>	<b>(2 881)</b>
<b>FINANCING ACTIVITIES</b>			
Dividends paid to shareholders	(6 453)	(6 453)	(5 862)
Proceeds from borrowings	-	-	17 000
Repayment of borrowings	(18)	(17 000)	(40 000)
Change in bank overdrafts	1	(495)	(6 547)
<b>Net cash used in financing activities</b>	<b>(6 470)</b>	<b>(23 949)</b>	<b>(35 409)</b>
<b>CHANGE IN NET CASH AND CASH EQUIVALENTS</b>	<b>38 116</b>	<b>26 716</b>	<b>1 002</b>
Net cash and cash equivalents at beginning of period	27 749	1 033	31
Net cash and cash equivalents at end of period	65 865	27 749	1 033
<b>CHANGE IN NET CASH AND CASH EQUIVALENTS</b>	<b>38 116</b>	<b>26 716</b>	<b>1 002</b>

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## **NOTES TO THE FINANCIAL STATEMENTS**

### **I SIGNIFICANT EVENTS**

Pursuant to the sale of the shares of Chefa to Sodexo, the existence of Baumira was no longer necessary and so it was removed from the Commerce Register of Nanterre on January 14, 2010, following the universal transmission of its net worth on November 30, 2009.

In April 2010, Bellon SA discontinued the Calyon overdraft line of credit of 40 million euro, which was no longer necessary given the high level of cash.

An extraordinary shareholders' meeting was held on October 22, 2010 in order to change the company's business purpose to include the financing, through the payment of a percentage of Bellon SA's net income, of non profit entities, notably including the Association Pierre Bellon. It was also decided that Bellon SA should remit a minimum of 5% and a maximum of 10% of the net income earned in the prior fiscal year.

On November 14, 2010 Bellon SA agreed to sell to Group Dutco its 3% interest in Bateaux Dubai, a company registered in the United Arab Emirates. The selling price corresponded to the net book value of the shares and the principal and interest capitalized as of December 31, 2009 of the loan granted by Bellon SA to Bateaux Dubai with no additional bookkeeping entry. The sale agreement is expected to be signed during the first quarter of 2011.

As of December 31, 2010, Bellon SA held 37.71% of the issued capital of Sodexo and 48.25% of voting rights.

### **II ACCOUNTING PRINCIPLES, RULES AND METHODS**

Amounts in tables are in thousands of euro.

The statutory financial statements have been prepared in accordance with the French legislation and according to the practices generally accepted in France.

Shares in companies and other financial investments are carried at historical cost. At each balance sheet date, an impairment write-down may be recognized if the value in use is less than the carrying amount.

### III FIXED ASSETS

	Amounts as of January 1, 2010	Increase	Decrease	Amounts as of December 31, 2010
<b>Property, plant and equipment</b>	-	-	-	-
<b>Financial investments</b>				
Sodexo	1 567 048	-	-	1 567 048
Other investments	-	-	-	-
<b>Total financial investments</b>	<b>1 567 048</b>	-	-	<b>1 567 048</b>
<b>Other financial assets</b>	<b>69</b>	<b>4</b>	-	<b>73</b>
<b>Total fixed assets (gross amount)</b>	<b>1 567 117</b>	<b>4</b>	-	<b>1 567 122</b>
Amortization and impairment write- down	-	-	-	-
<b>Total fixed assets (net)</b>	<b>1 567 117</b>	<b>4</b>	<b>0</b>	<b>1 567 122</b>

Sodexo shares are valued at historical cost. Market price as of the end of the year would have been 3,062,561 thousand euro.

### IV CHANGES IN SHAREHOLDERS' EQUITY

	Number of shares	Capital	Additional paid in capital	Legal reserve	Ordinary reserve	Retained earnings	Net income for the fiscal year	Shareholders equity
<b>Shareholders' equity as of December 31, 2008</b>	<b>25 710</b>	<b>411</b>	<b>396 706</b>	<b>41</b>	<b>353 718</b>	<b>6 509</b>	<b>34 095</b>	<b>791 481</b>
Dividends paid					27 000	642	(34 095)	(6 453)
Net income for the year							42 701	42 701
<b>Shareholders' equity as of December 31, 2009</b>	<b>25 710</b>	<b>411</b>	<b>396 706</b>	<b>41</b>	<b>380 718</b>	<b>7 151</b>	<b>42 701</b>	<b>827 729</b>
Dividends paid			-		36 500	(252)	(42 701)	(6 453)
Net income for the year							36 278	36 278
<b>Shareholders' equity as of December 31, 2010</b>	<b>25 710</b>	<b>411</b>	<b>396 706</b>	<b>41</b>	<b>417 218</b>	<b>6 899</b>	<b>36 278</b>	<b>857 554</b>

## **V PROVISIONS FOR CONTINGENCIES AND LOSSES**

	Provisions as of January 1, 2010	Increase	Decrease	Provisions as of December 31, 2010
Other provisions	29	-	4	25
Provision carry back 1995	139	-	-	139
<b>Total</b>	<b>168</b>	<b>-</b>	<b>4</b>	<b>164</b>

## **VI BORROWINGS**

	Amounts as of January 1, 2010	Increase	Decrease	Amounts as of December 31, 2010
<b>Bank borrowings</b>	763 017	7 402	18	770 401
<b>Overdraft</b>	0	1	-	1
<b>Total borrowings</b>	<b>763 017</b>	<b>7 403</b>	<b>18</b>	<b>770 402</b>

The credit agreement signed in 2004 with the Caisse Nationale des Caisses d'Epargne et de Prévoyance (CNCEP), the loan agreements and the loan signed in 2005 with Calyon, as well as the loan agreement signed in 2007 with Calyon, and the Equity Linked Swap agreement signed with Société Générale in 2007 all contain terms that are customary for loans of this nature made to a holding company. These conditions mainly include the following:

- control of the company Bellon SA by Mr. Pierre Bellon and his children, who must hold more than half the capital and voting rights of the company (agreements with CNCEP, Société Générale and Calyon)
- the level of Bellon SA's investment in Sodexo should not be less than 33.34% of voting rights (all bank agreements)
- Bellon SA's assets must comprise:
  - . a minimum of 80% of Sodexo shares or shares of subsidiaries controlled by Sodexo or jointly by Sodexo and Bellon SA (CNCEP agreement)
  - . 90% Sodexo shares (agreements with Société Générale and Calyon)
- the ratio of net financial debt to total assets (excluding cash) should not exceed 90% (CNCEP)
- the ratio of revaluated assets to net financial debt must be higher than 1.25 as of August 31 and December 31 of each year (Société Générale and Calyon contracts)
- the ratio "dividends to net financial expenses" should be higher than 1 each year (Société Générale and Calyon contracts)
- total borrowings should be lower than 1.1 billion euro at any point in time (Société Générale and Calyon contracts)
- Bellon SA must not propose a tender offer on all or part of its Sodexo shares without exercising its voluntary reimbursement right (CNCEP)
- the Sodexo rating should not be lower than BBB-

As of December 31 2010, Bellon SA met its commitments.

## **VII MATURITIES OF RECEIVABLES AND PAYABLES**

<b>RECEIVABLES</b>	<b>Amounts</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>
Accounts receivable	-		
Other receivables	31	31	
Other receivables	31	31	
<b>TOTAL RECEIVABLES (NET)</b>	<b>31</b>	<b>31</b>	

<b>LIABILITIES</b>	<b>Amounts</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>
Bank borrowings	770 402	178 610	591 792	
<b>Total Borrowings</b>	<b>770 402</b>	<b>178 610</b>	<b>591 792</b>	
Accounts payable	139	139		
Employee related liabilities	3 348	2 489	859	
Social and fiscal debts	1 410	1 175	235	
Other	1	1		
	<b>4 759</b>	<b>3 665</b>	<b>1 094</b>	
<b>TOTAL LIABILITIES</b>	<b>775 300</b>	<b>182 414</b>	<b>592 886</b>	

## **VIII RELATED PARTY INFORMATION**

	<b>Amount</b>	<b>Related companies and associates</b>	<b>Companies with related investments</b>
<b>ASSETS</b>			
Financial investments (gross amount)	1 567 067	1 567 048	19
Loans	54		54
<b>LIABILITIES</b>			
Accounts payable	12	12	
<b>INCOME STATEMENT</b>			
Operating revenues	4 961	4 961	
Operating expenses	82	82	
Financial income	75 250	75 250	
Financial charges	0	0	

## **IX ACCRUED EXPENSES**

Accounts payable	121
Employee related liabilities	3 348
Social and fiscal liabilities	956
<b>Total</b>	<b>4 425</b>

## **X ISSUED CAPITAL**

Total capital is 411 360 euro divided into 25 710 shares of 16 euro each, all fully paid.

## **XI ANALYSIS OF REVENUES**

The revenues are related to services rendered in France and amount to 4 961 thousand euro.

## **XII AUDIT FEES**

The statutory auditors' fees for Fiscal 2010 amount to 49 thousand euro including 44 thousand euro for the statutory audit of the financial statements and 5 thousand euro for other non audit services.

## **XIII FINANCIAL RESULT**

The financial result of 38 420 thousand euro comprises the following:

- Dividends from Sodexo for 75 250 thousand euro.
- Gains on sale of marketable securities and interest income from Caisse d'Epargne for 278 thousand euro.
- Interest expense amounting to 37 112 thousand euro related to the interest on the company's debt.

## **XIV INCOME TAXES**

No income tax is due from the company due to its tax loss position.



## **XV UNREALISED TAX GAINS AND LOSSES**

Following the September 1997 merger with Financière Sodexho, Bellon SA committed to calculating on a going forward basis the unrealized gain on the sale of the 3 306 684 Sodexo shares as compared to the tax value recognized by Sodexho Financiere, which amounted to 201 271 thousand euro.

Following the April 1998 grant of three new shares for each previously held share and the 4 for 1 stock split in March 2001, the number of Sodexo shares held through the merger was multiplied by 16.

As of December 31, 2008, total Sodexo shares resulting from the merger was 46 726 226 for a tax value of 168 588 thousand euro.

As of December 31 2010, Bellon SA has accumulated tax losses of 379 883 thousand euro which can be carried forward indefinitely, representing a decrease in future taxes payable of 126 615 thousand euro, based on the current rate of 33.33%.

## **XVI LEASES**

As of December 31, 2010, Bellon SA has no finance leases.

## **XVII PLEDGED SHARES**

9 592 697 Sodexo shares are pledged to the benefit of Caisse Nationale des Caisses d'Épargne et de Prévoyance.

6 406 686 Sodexo shares are pledged to the benefit of Calyon.

1 865 600 Sodexo shares are pledged to the benefit of Société Générale.

## **XVIII RETIREMENT BENEFIT COMMITMENTS**

Bellon SA has no commitment to its employees related to pensions, complementary retirement plan or similar payments.

Bellon SA is required to pay benefits to retiring employees on the terms stipulated Sodexo's collective agreement.

The commitment, which is not recognized as a liability in the balance sheet, is estimated at 1 139 thousand euro.

## **XIX COMPENSATION, ADVANCES AND COMMITMENTS WITH RESPECT TO PENSIONS AND INDEMNITIES PAID TO THE**

## **MEMBERS OF THE SUPERVISORY BOARD AND NON-EXECUTIVE DIRECTORS**

- Total compensation paid to the members of the Board and non executive directors for year 2010 536 thousand euro
  - Advances and loans None
  - Amount paid to a defined benefit pension plan during year 2010 None
- 

## **XX NUMBER OF EMPLOYEES**

As of December 31, 2010, 8 executives were employed by the company.

## **XXI LIST OF SUBSIDIARIES**

	<b>% interest in Capital</b>	<b>Capital</b>	<b>Shareholders' equity</b>	<b>Book value of investment</b>	<b>Revenues</b>	<b>Net income for recent fiscal year</b>	<b>Date</b>	<b>Dividends</b>
Sodexo	37.71 %	628 528	2 786 964	1 567 048	70 915	261 582	31/08/2010	75 250



**KPMG S.A.**  
**Bureau de Marseille**  
**480 avenue du Prado**  
**BP 303**  
**13269 MARSEILLE CEDEX 08**  
**France**

**Olivier Belnet**  
**19, boulevard Arthur Michaud**  
**13015 Marseille**

**BELLON S.A.**

**Statutory auditors' report on the  
statutory financial statements**

**Year ended December 31, 2010**  
**BELLON S.A.**  
**Espace Gaymard – 2, place d'Arvieux**  
**13002 Marseille**  
**This report contains 13 pages**



**KPMG S.A.**  
**Bureau de Marseille**  
**480 avenue du Prado**  
**BP 303**  
**13269 MARSEILLE CEDEX 08**  
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**19, boulevard Arthur Michaud**  
**13015 Marseille**

**BELLON S.A.**

**Headquarters : Espace Gaymard – 2, place d’Arvieux – 13002 Marseille**  
**Issued capital : 411 360 euro**

**Statutory auditors’ report on the statutory financial statements**

**For the year ended December 31, 2010**

Ladies and gentlemen:

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended December 31, 2010, on:

- the audit of the accompanying financial statements of Bellon S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Executive Board. Our role is to express an opinion on these financial statements based on our audit.

### **I - Opinion on the financial statements**

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sample techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and

liabilities and of the financial position of the Company as of December 31, 2010, and of the results of its operations for the year then ended, in accordance with French accounting principles.

## **II - Justification of our assessments**

In accordance with the requirements of article L.823-9 of the Commercial Code (Code de Commerce) relating to the justification of our assessments, we inform you that the assessments we made in connection with our audit mainly concerned the valuation of investment shares and the recognition of financial income and expense.

The assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.

## **III - Specific verifications and information**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Executive Board, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Marseille, April 28, 2011

KPMG S.A.

Joëlle Bouchard

Thierry Borel

Olivier Belnet

**BELLON S.A.**  
**Statutory auditors' report on the statutory financial statements**  
**Year ended December 31, 2010**

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*This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France*