

# Q3 Fiscal 2021 revenues

July 1, 2021

# Agenda

## 1 Q3 Fiscal 2021 highlights

## 2 Review of Operations

- › On-Site Services
- › Benefits & Rewards Services

## 3 Outlook

Figures have been prepared in thousands of euro and published in millions of euro

Please refer to Appendix 6 for Alternative Performance Measures definitions

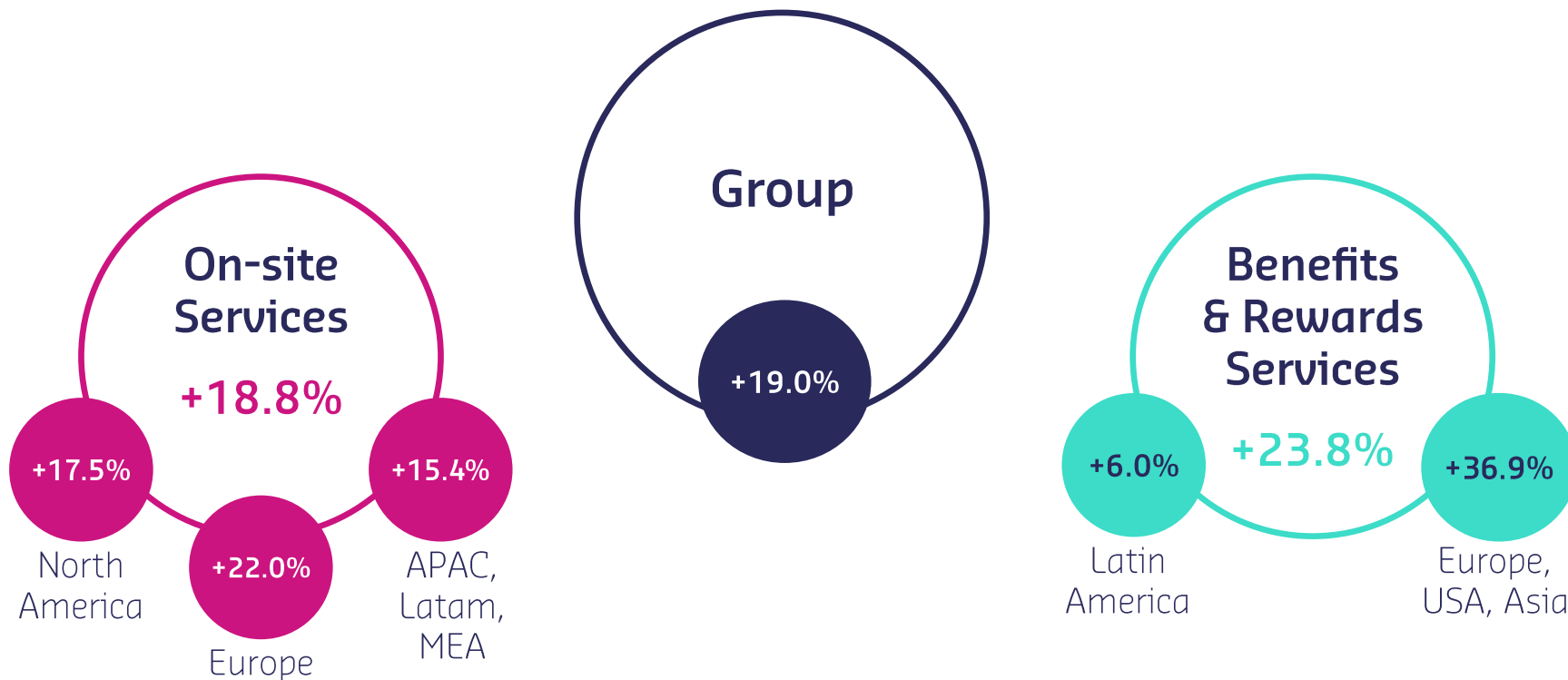
# Q3 Fiscal 2021 highlights



1

# Q3 Organic growth recovery

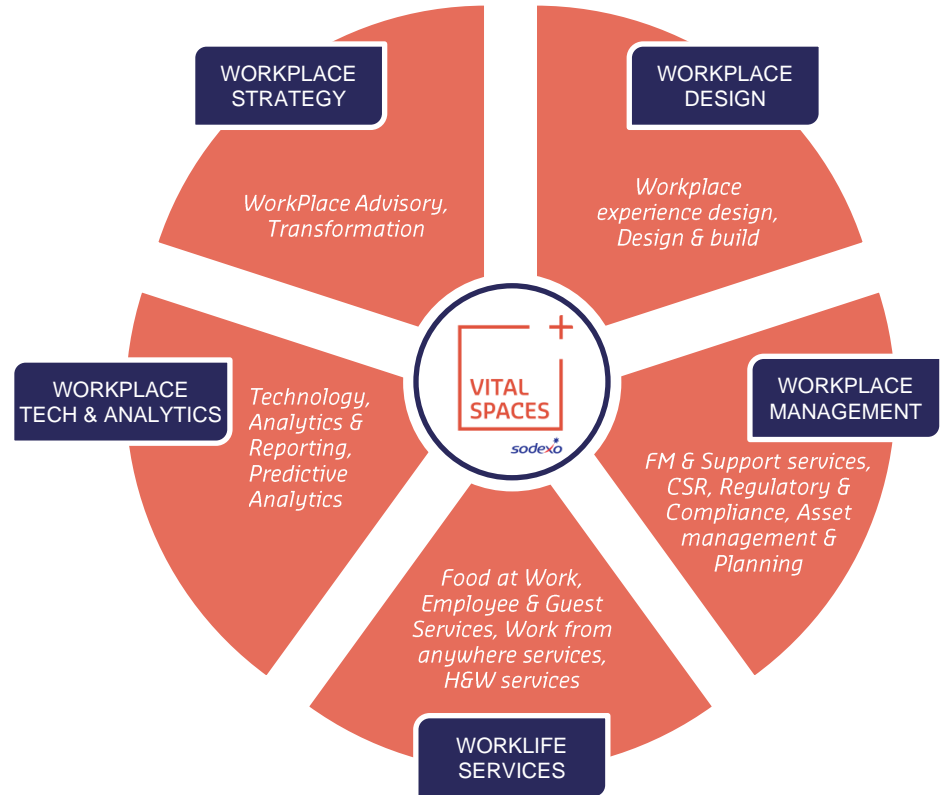
## Third quarter Fiscal 2021 highlights



# Vital Spaces, our holistic approach to workplace transformation

« 66% of leaders say their company is considering redesigning workplaces and improving employee experience for hybrid work\* »

- Workplace transformation to create the new normal at work.
- « Go-to-market » value proposition gathering OSS, BRS and PHS.
- Focus on efficiency, employee experience, digitalization and responsibility.



# Vital Spaces contract with a sportswear manufacturer worldwide leader

WORKPLACE STRATEGY



IFM contract  
in 4 sites



WORKPLACE DESIGN



WORKPLACE TECH & ANALYTICS



WORKLIFE SERVICES



modern recipe



WORKPLACE MANAGEMENT



# Extended delivery network for enhanced consumer experience

## Third quarter Fiscal 2021 highlights



~300  
Partnerships  
3 global  
partnerships



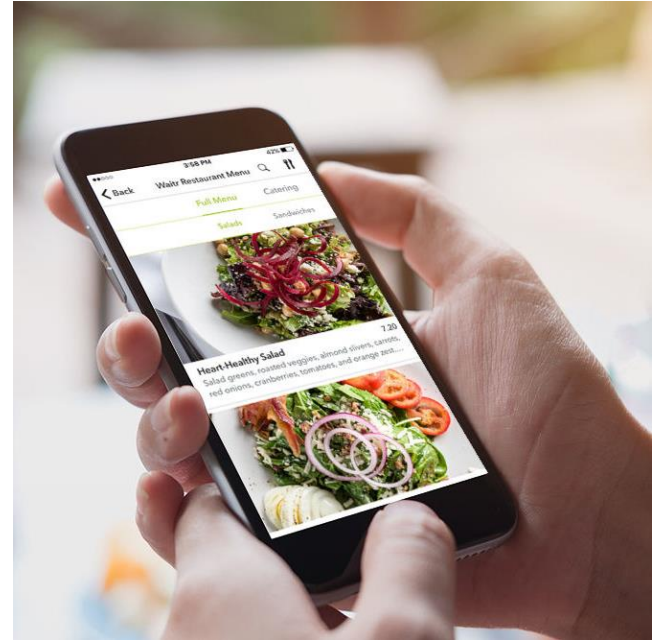
Uber Eats



210,000  
daily online  
transactions



~5%  
Online Business  
Volume  
Reimbursement  
of total  
Meal & Food BVR



# Review of operations



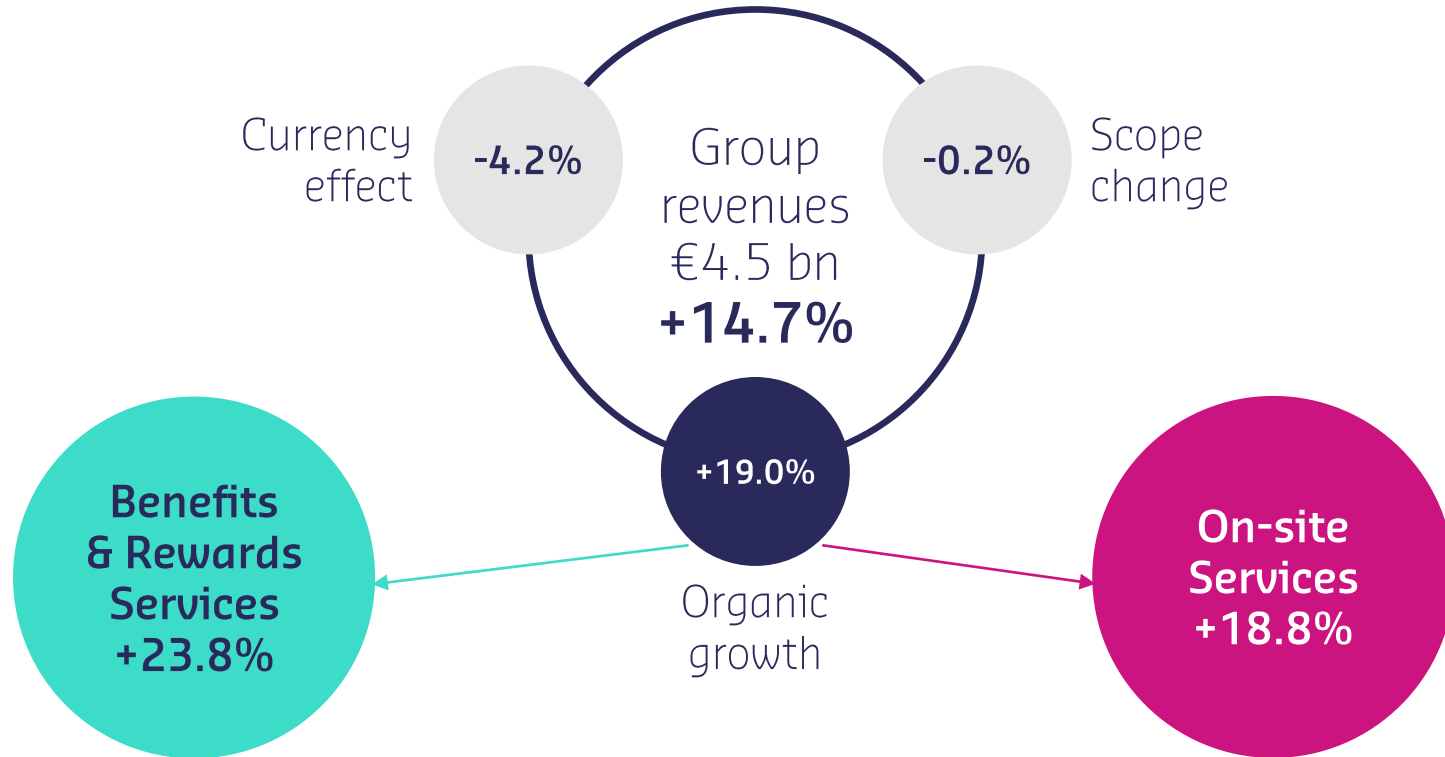
**On-site Services**

**Benefits & Rewards Services**



# Encouraging recovery in revenues

Third quarter Fiscal 2021

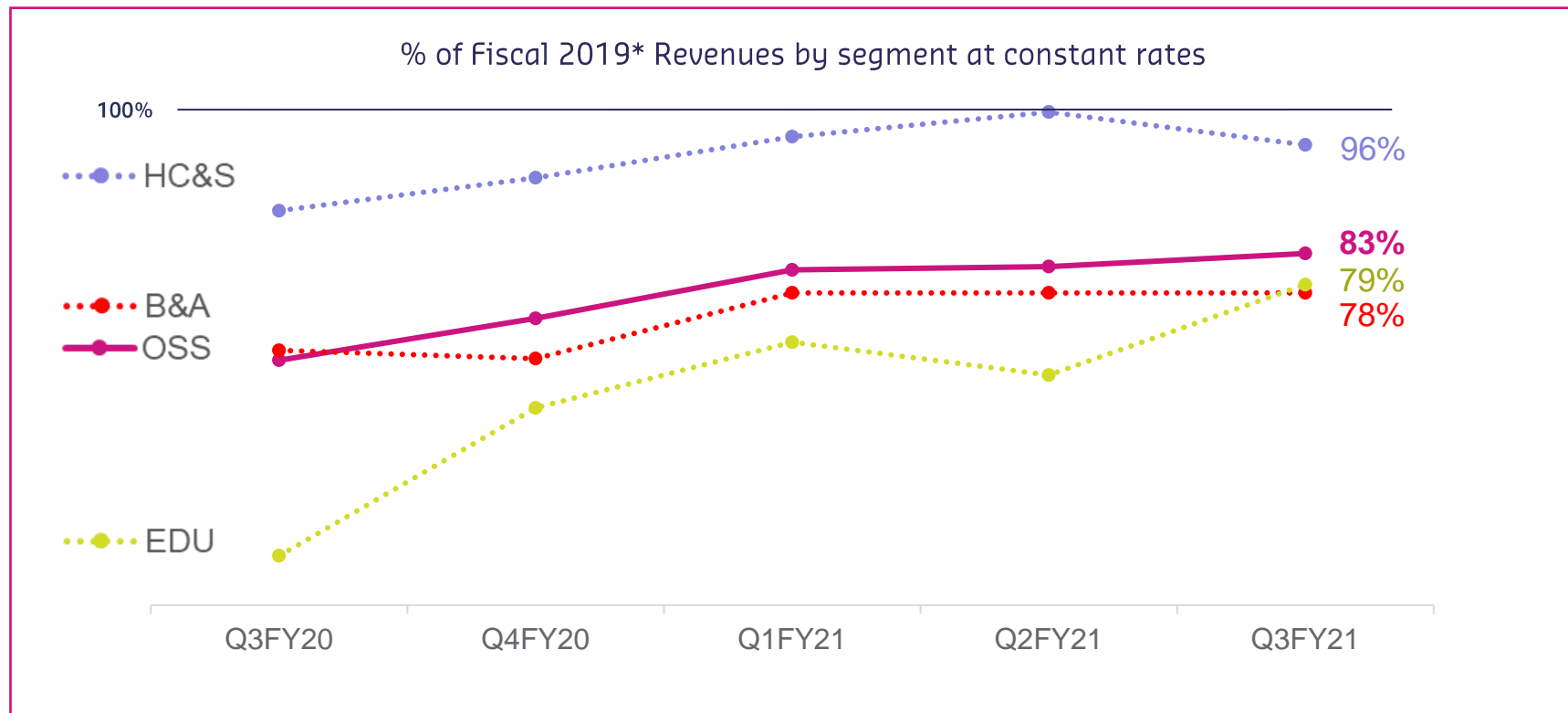


# Review of operations

OSS

# Steady recovery relative to Fiscal 2019

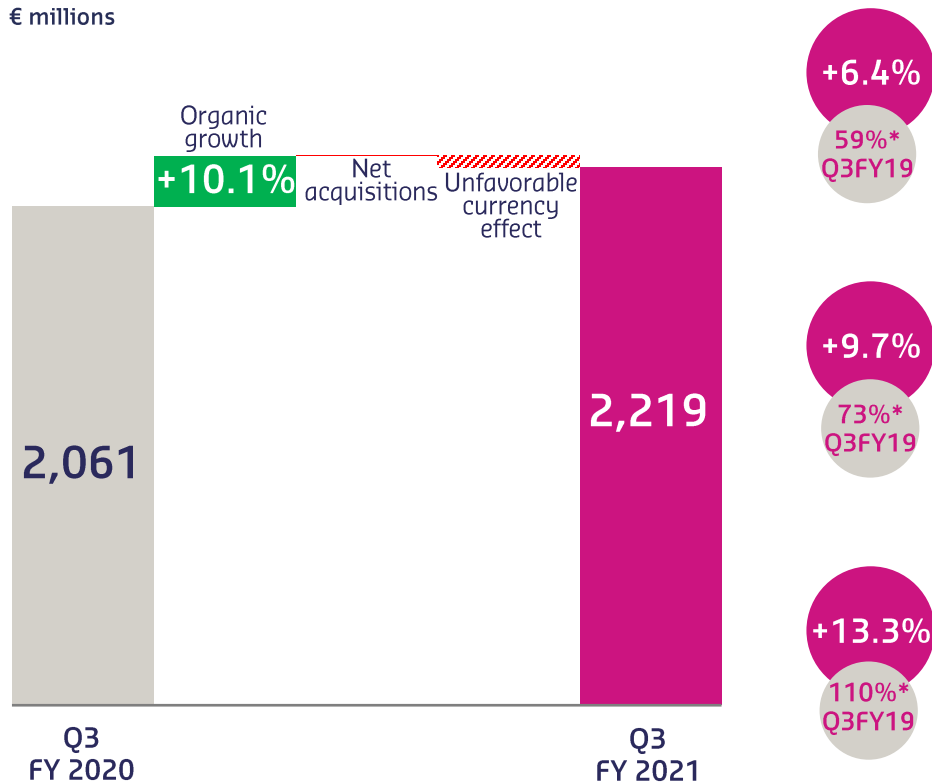
## Third quarter Fiscal 2021 highlights



# Business & Administrations – Revenues



€ millions



## North America

- Steady growth in G&A and acceleration in E&R.
- Still slow recovery in Corporate Services.
- Very progressive reopening in S&L.

## Europe

- Corporate Services reopening is slow, impacted by new wave of lockdowns.
- Solid volumes in G&A. E&R boosted by new business contribution during the quarter.

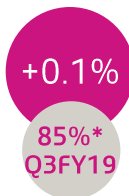
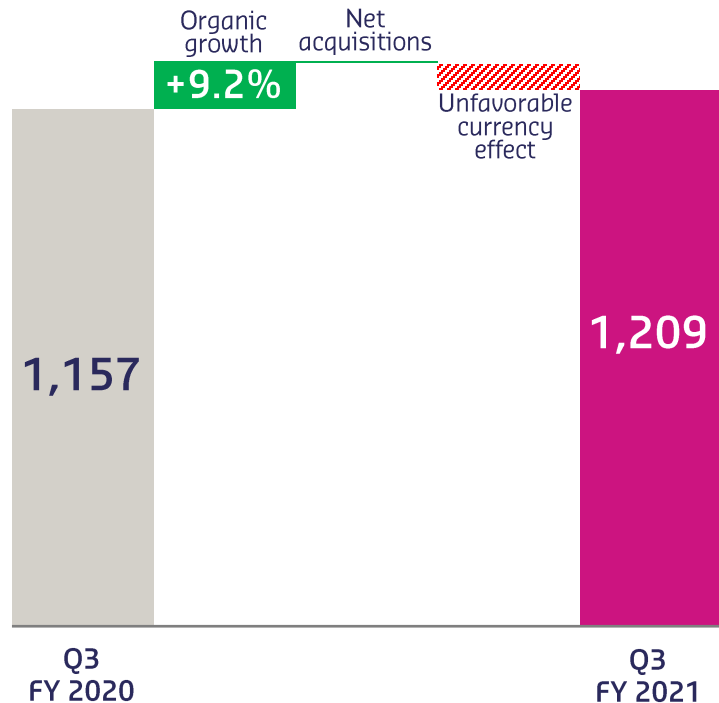
## APAC, Latam, MEA

- Strong recovery in Corporate Services in Asia and Brazil.
- Solid growth in mining in Australia and Latin America.

# Healthcare & Seniors – Revenues

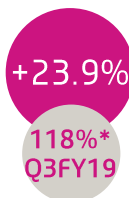


€ millions



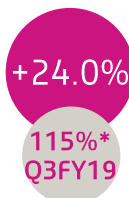
## North America

- Increase in elective surgery in Hospitals.
- Retail activity started to come back.
- Unfavorable timing effect on wins and losses in Seniors.



## Europe

- Strong contribution from the Covid-19 rapid testing centers in the UK.
- Some signs of improvement in elective surgery across the region.



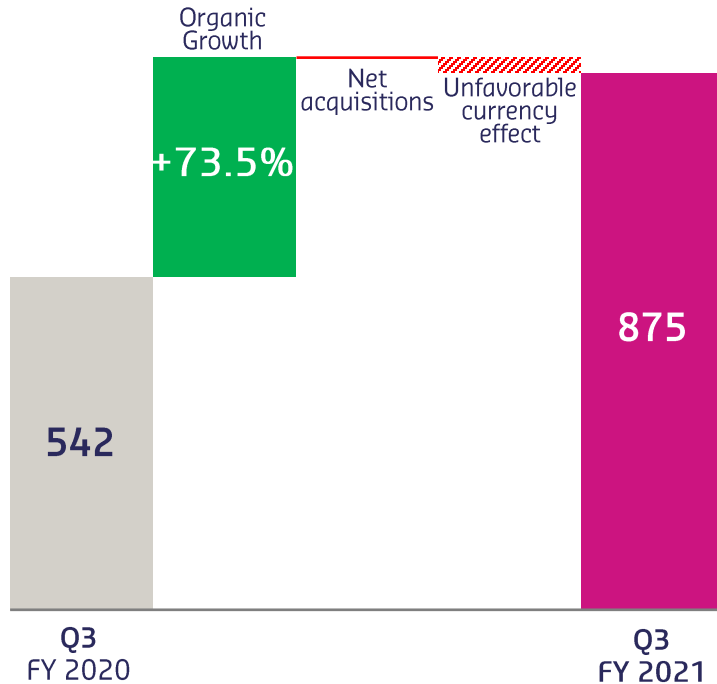
## APAC, Latam, MEA

- Strong recovery in Asia and Brazil.

# Education – Revenues

19%  
On-site  
Services  
FY 20

€ millions



+61.3%  
77%\*  
Q3FY19

## North America

- Higher volumes in Universities thanks to students progressively returning to Campus.
- Progressive reopening in Schools.

+114.9%  
87%\*  
Q3FY19

## Europe

- Full reopening across the region despite French lockdown and occasional class closures due to the pandemic.

+75.2%  
70%\*  
Q3FY19

## APAC, Latam, MEA

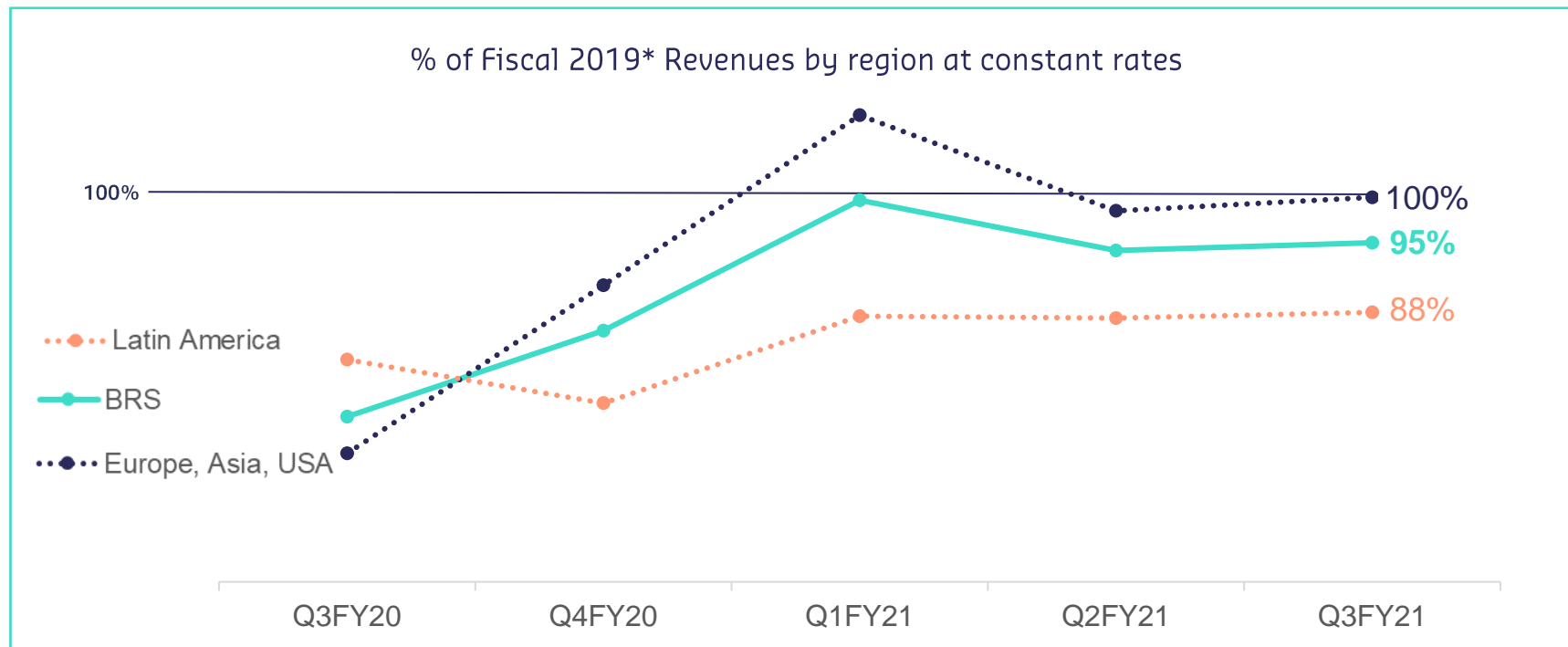
- Full reopening in China, India still impacted by the pandemic.

# Review of operations

**BRS**

# Recovery relative to Fiscal 2019 mirrors restaurant opening and closing

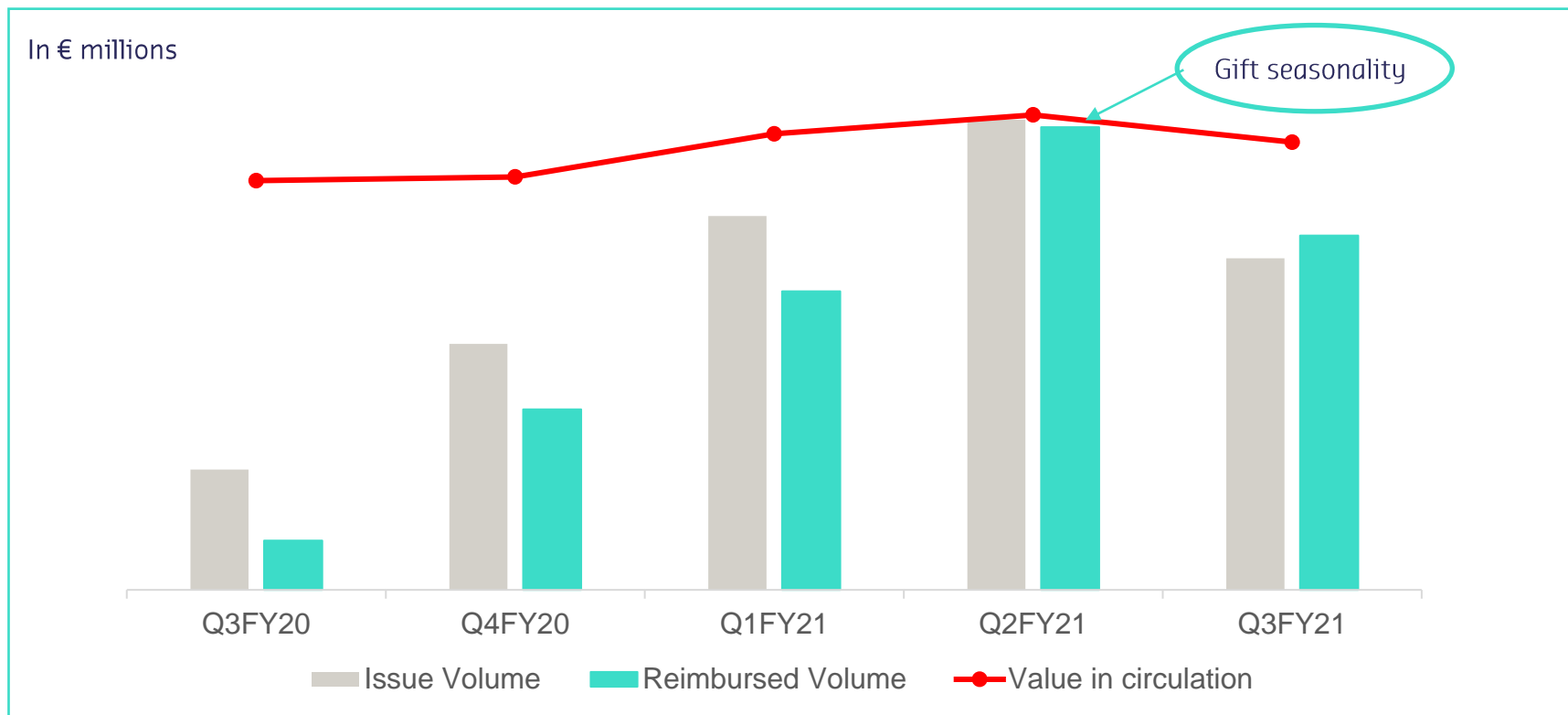
## Third quarter Fiscal 2021 highlights





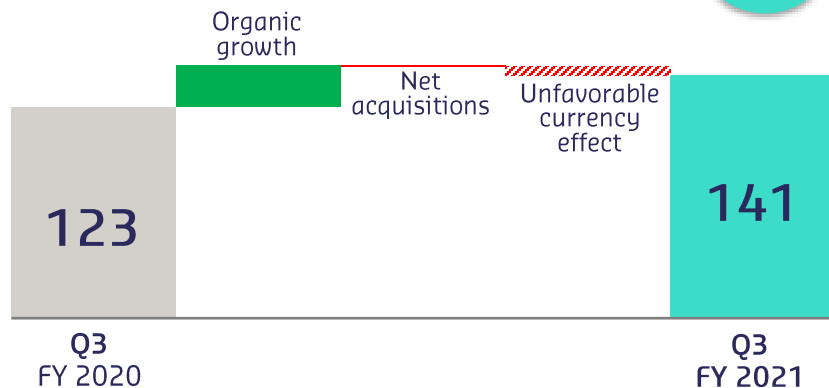
# Higher reimbursement, reduced value in circulation

## Third quarter Fiscal 2021 highlights

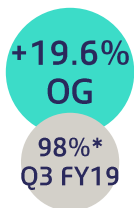
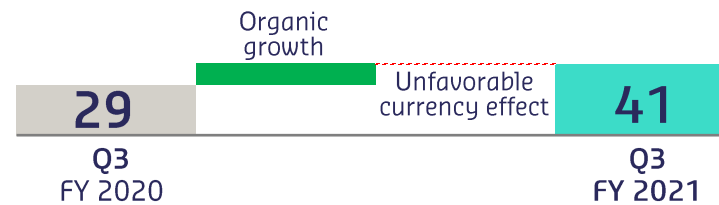


# BRS revenues by service

## Employee Benefits € millions

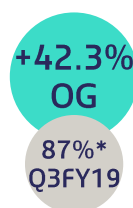


## Services Diversification € millions



### Issue volume €2.9bn, +15.8% Organic growth

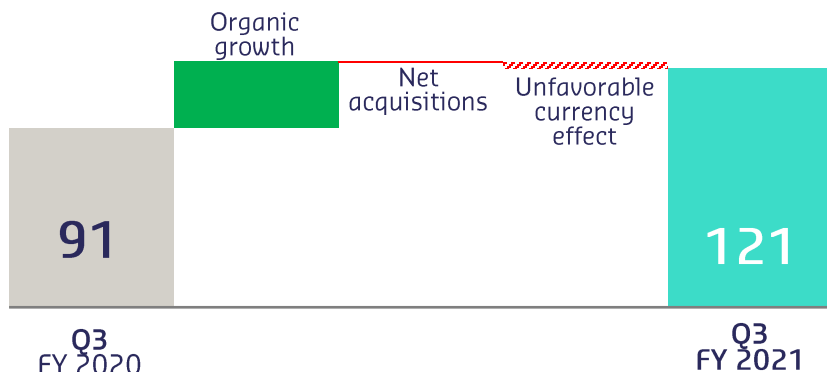
- Strong improvement thanks to restaurant re-openings, and higher issue and reimbursement volumes.
- Brazil still impacted by competitive environment.



- Strong return to growth in Public Benefits, Health & Wellbeing and Incentive & Recognition.

# BRS revenues by region

## Europe, Asia, USA € millions

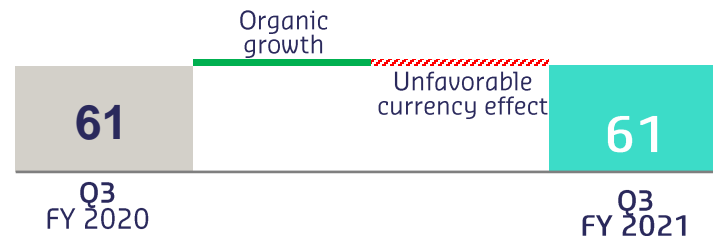


+36.9%  
OG

100%\*  
Q3FY19

- Strong growth thanks to higher volumes and progressive catch-up in reimbursements.

## Latin America € millions



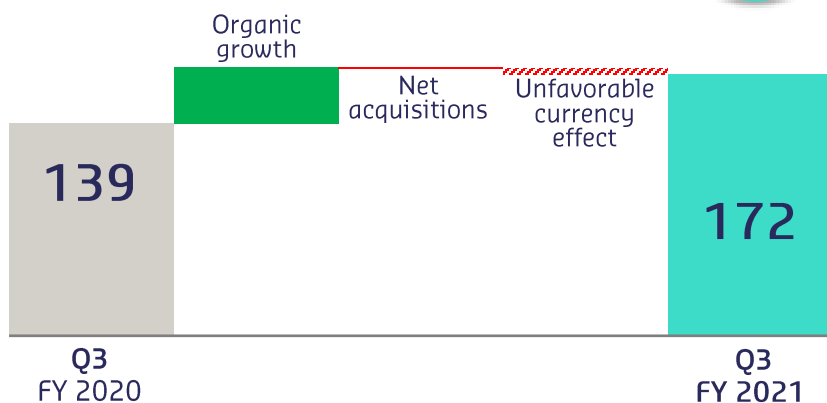
+6.0%  
OG

88%\*  
Q3FY19

- Brazil growing but impacted by a very competitive environment.
- Solid growth in the rest of the region.

# BRS revenues by nature

## Operating revenues € millions

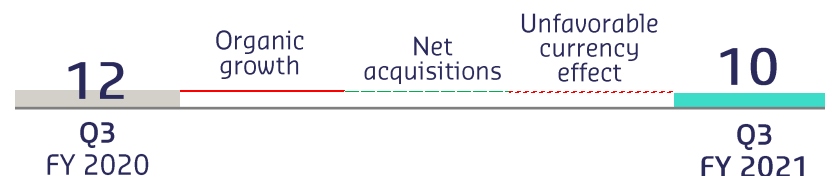
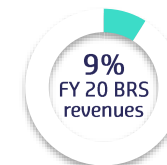


+26.6%  
OG

97%\*  
Q3FY19

- Strong growth driven by improved volumes and the rapid pace of digital conversion.

## Financial revenues € millions



-7.2%  
OG

74%\*  
Q3FY19

- Impact of the weakness of Selic, Brazil Central Bank rate, decline, but interest rate now rising.

# Outlook



# H2 FY2021 guidance upgraded

H2 2021 Revenue OG: **around +15%**

H2 2021 UOP margin at constant rate: **around 3.5%**

Full year FY 2021 Cash Conversion: **maintained at above 100%**

# Mid-term outlook

A strong pick-up expected in all segments and activities post-Covid crisis

A unique range of services to help clients redesign their value proposition for their consumers

Mobilized teams in the field

Post-Covid crisis, the Group aims to return to sustained growth and to drive the Underlying operating margin back over the pre-Covid level.

Q&A



4



# Appendices



# Contract Wins and extensions

Appendix 1

## Contract Wins



**BNP PARIBAS**

**BNP Paribas**

Corporate contract  
in the US



**Miami Jewish Health**

Seniors contract  
in the US



**Shanghai Emergency  
Medical Centre**

Benefits & Rewards  
contract in China

## Contract Retention



**US Army Medical  
Command**

Government Services  
contract in the US



**George Mason  
University**

Education contract  
in the US



**Methodist Hospital**

Healthcare contract  
in the US

## Contract Extensions / Expansions



**Sanofi**

Corporate contract  
in Continental Europe  
and the UK & Ireland

**SIEMENS**

**Siemens**

Benefits & Rewards Services  
contract in Turkey



**Guam Department  
of Education**

Education contract  
in the US

# Q3 Fiscal 2020 Exchange rates

Appendix 2

1€ =	Average Rate 9M Fiscal 21	Average Rate 9M Fiscal 20	Average Rate 9M Fiscal 21 vs. 9M Fiscal 20	Closing Rate 9M Fiscal 21 at 31/05/2021	Closing Rate Fiscal 20 at 31/08/2020	Closing Rate 31/05/21 vs. 31/08/20
U.S. DOLLAR	1.198	1.102	-8.0%	1.220	1.194	-2.1%
POUND STERLING	0.885	0.867	-2.1%	0.860	0.896	+4.2%
BRAZILIAN REAL	6.561	4.957	-24.5%	6.387	6.474	+1.4%

1€ =	Average Rate			
	9M Fiscal 21	H1 Fiscal 2021	Variation in Q3	Q3 YOY Variation
U.S. DOLLAR	1.198	1.197	-0.0%	-10.4%
POUND STERLING	0.885	0.897	+1.3%	+2.4%
BRAZILIAN REAL	6.561	6.554	-0.1%	-10.0%

# 9 months Organic growth excluding Rugby World Cup

Appendix 3

9 Months	Organic growth excluding RWC	Organic growth
Group	-10,8%	-11,3%
On-Site Services	-11,3%	-11,8%
On-Site Services Europe	-7,0%	-8,4%
Business & Administrations	-16,2%	-17,1%
<b>Business &amp; Administrations Europe</b>	<b>-17,8%</b>	<b>-19,6%</b>

# Q3 Revenue breakdown

Appendix 4

REVENUES BY SEGMENT (In millions of euro)	Q3 FY21	Q3 FY20	ORGANIC GROWTH	EXTERNAL GROWTH	CURRENCY EFFECT	TOTAL GROWTH
Business & Administrations	2,219	2,061	+10.1%	-0.1%	-2.3%	+7.7%
Healthcare & Seniors	1,209	1,157	+9.2%	+0.3%	-4.9%	+4.6%
Education	875	542	+73.5%	-1.4%	-10.8%	+61.2%
On-site Services	4,303	3,760	+18.8%	-0.2%	-4.2%	+14.4%
Benefits & Rewards Services	182	152	+23.8%	-0.4%	-3.3%	+20.0%
Elimination	-1	-1				
<b>TOTAL GROUP</b>	<b>4,484</b>	<b>3,910</b>	<b>+19.0%</b>	<b>-0.2%</b>	<b>-4.2%</b>	<b>+14.7%</b>

# Modelling details for FY2021

At constant rates

Appendix 5

Other income  
and expenses:  
around  
€280\*m

Net financial  
expenses:  
€110m  
including  
IFRS16

Tax rate:  
in line with H1

### 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 (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.

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 of the On-site Services activities in Argentina, Peso figures for First 9-months Fiscal 2021 and 2020 have been converted at the exchange rate of 1€ = 115.212 ARS vs 75.652 ARS for First 9 months Fiscal 2020.

### 3rd Quarter organic growth

3rd Quarter organic growth corresponds to the increase in revenue for the third quarter (the "current period") compared to the revenue reported for the same period of the prior fiscal year, calculated using the difference between the 9-month and 6-month average exchange rates; and excluding the impact of business acquisitions (or gain of control) and divestments.

### Issue volume

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

### Reimbursement volume

Reimbursement volume corresponds to the total face value of service vouchers, cards and digitally delivered services (Benefits and Rewards Services activity) reimbursed to the Merchants

### Underlying Operating margin

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

### Underlying Operating margin at constant rate

The Underlying operating profit margin at constant rate corresponds to Underlying operating profit divided by revenues, calculated by converting FY2021 figures at FY 2020 rates, except for countries with hyperinflationary economies.

# Financial calendar

Appendix 7

**Fiscal 2021 Annuals Results**

**October 27, 2021**

Fiscal 2021 Annual Shareholders Meeting

December 14, 2021

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





# Sodexo key figures

As of August 31, 2020



€19.3 bn revenues



420,000 employees



#1 Largest private French employer worldwide <sup>(1)</sup>



100 million consumers served daily



64 countries



€11.6 bn market capitalization  
(as of June 30, 2021)

- Founded in 1966 by Pierre Bellon
- As at 28/02/2021, Bellon S.A. holds 42.8% of capital (57.1% of voting rights)

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA  
Leader in its industry sector

**Sustainability Award**  
Silver Class 2021  
**S&P Global**  
#1 in its industry sector



FTSE4Good



Moody's Baa1, stable outlook.  
S&P BBB+, negative outlook / A2"

<sup>(1)</sup> 2020 Forbes Global 2000 ranking (as of April 30, 2020)

# Investor relations contacts

Appendix 9

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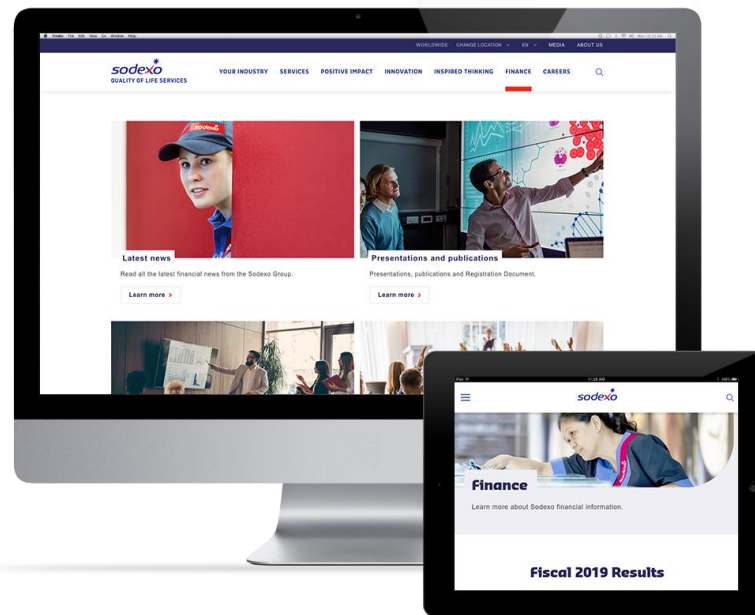
## Sodexo

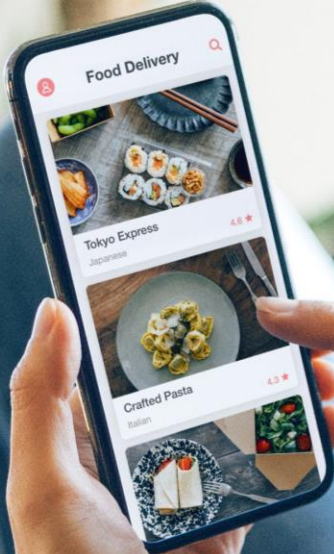
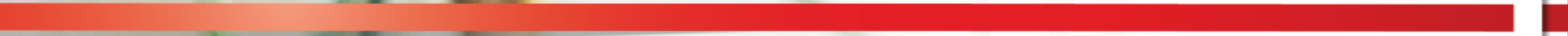
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Thank You