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SODEXHO ALLIANCE SA

Form 6-K

April 09, 2003

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SECURITIES AND EXCHANGE COMMISSION
 Washington D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
 PURSUANT TO RULE 13A-16 OR 15D-16 OF THE
 SECURITIES EXCHANGE ACT OF 1934

April 9, 2003

SODEXHO ALLIANCE SA
 3, avenue Newton
 78180 Montigny-le-Bretonneux
 France

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F X Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

Contents: First Half 2002-2003 revenues

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EXHIBIT LIST

Exhibit	Description
99.1	First Half 2002-2003 revenues

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

SODEXHO ALLIANCE SA

By: /s/ Sian Herbert-Jones

Name: Sian Herbert-Jones

Title: Chief Financial Officer

Date: April 9, 2003

EX-99.1

First Half 2002-2003 revenues

Exhibit 99.1

First Half 2002-2003 revenues

Code Euronext: EXHO.PA / Code NYSE: SDX

This press release contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. These include, but are not limited to, statements regarding anticipated future events and financial performance with respect to our operations. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like "believe", "expect", "anticipate", "estimated", "project", "plan", "pro forma" and "intend" or future or conditional verbs such as "will", "would" or "may". Factors that could cause actual results to differ materially from expected results include, but are not limited to, those set forth in our Registration Statement on Form 20-F, as filed with the Securities and Exchange Commission (SEC), the competitive environment in which we operate, changes in general economic conditions and changes in the French, American and/or global financial and/or capital markets. Forward-looking statements represent management's views as of the date they are made, and we assume no obligation to update any forward-looking statements for actual events occurring after that date. You are cautioned not to place undue reliance on our forward-looking statements.

First Half 2002-2003 revenues

Paris, France - April 9, 2003 - In the first six months of fiscal 2002-2003, Sodexho Alliance consolidated revenues reached euro 6.2 billion. As compared to

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the prior year period, revenue growth evolved as follows:

- o Organic growth: 2.9%
- o Acquisitions, net of divestitures: -0.2%
- o Currency effect: -8.8%

Organic growth of 2.9% was offset by the strong appreciation of the euro against other currencies, in particular the US dollar, which led to a negative currency conversion effect in our consolidated accounts of 8.8%. This is only a conversion effect since in each of our subsidiaries income from our services and the corresponding expenses (cost of goods and labor) are expressed in the same currency. This currency effect results in a net total variation in our revenues of -6.1% for the first half of 2002-2003.

Half-year revenues by region and activity

Activity	Revenues (millions of euro)	Organic Growth
Food and management services	5 739	+ 2,6 %
North America	2 950	3,3 %
Continental Europe	1 799	4,3 %
United Kingdom and Ireland	756	-4,4 %
Rest of the world	234	6,0 %
Remote Sites	270	+ 0,6 %
Service Vouchers and Cards	127	+ 17,9 %

- o Food and management services

In Food and Management Services, organic growth by segment was 3.8% in Healthcare, 3.4 % in Education and 1.5% in Business and Industry (-1.3 % excluding Defense).

North America

Revenues for the Healthcare and Seniors segment increased by 2.9%, reflecting our teams' efforts to develop growth on existing sites and winning multi-service partnership contracts with our clients. Some examples include Fairview System in Minneapolis, the Children's Hospital in Seattle and Providence Medical Center in Kansas City where staff remain directly on the client's payroll. Revenues do not therefore reflect our real economic development.

Despite the impact of snowstorm-related school closures on the East Coast of the USA, the Education segment's revenues grew by 3.6%; we continue to expand into multi-service with new clients such as Grace College, Tiffin University, and Walton County School District and to increase existing sites' revenues

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with adapted merchandising offers utilizing innovations, such as Cafe a la Carte.

Revenues in the Business, Industry and Defense segment grew by 3.3% (-1.9 %, excluding Defense). The effect of the national contract with Hewlett Packard and several new contract openings, including Bell South, General Mills, Nationwide Insurance Training Center and Sony Pictures, was more than offset by the impact of the economic slowdown, most notably continued client headcount reductions.

Since October 1, 2002, Sodexho has provided food service operations on 55 U.S. Marine Corps sites. As a result of the recent deployment of U.S. Marines to the Persian Gulf, only four U.S. mess halls have been temporarily closed. At the same time our client has requested that we expand certain services. We have established a strong relationship of mutual respect and true partnership with the U.S. Marine Corps and they have recently assured to us that they are satisfied with our performance and have no basis to cancel our contract.

Continental Europe

Organic growth reached 4.3%, with 8.2% growth in the Healthcare segment, 4.1% growth in Education, and 2.9% growth in Business and Industry.

These increases mainly resulted from the commencement of a Healthcare contract signed with the local municipality of Stockholm, a multi-service contract signed with the Swedish army, and several significant successes such as Sanofi-Synthelabo and Canon in France, Nuon in the Netherlands, Nokia in Finland, Mobistar in Belgium and Santander Group in Spain.

United Kingdom and Ireland

As announced in November, priority has been given to improving profitability. Excluding the impact of the sale of Lockhart and currency impacts, revenues declined by 4.4%. The primary reasons for this include: continued layoffs by our clients, site closures in the engineering and manufacturing sectors, the impact of a lower prior year retention in Healthcare, and the decision made by our new management team in the United Kingdom to exit certain unprofitable contracts (most notably in the hotel sector).

o Remote Sites

Organic growth of 0.6% resulted from good performances in the North Sea and Latin America, despite significantly diminished foraging activities in the Gulf of Mexico.

o Service Vouchers and Cards

Organic growth continued steadily at 17.9% through the half-year arising from:

- The expansion of our line of service offerings to existing clients, including Gift Pass, Training Pass, Food Pass and Restaurant Pass,
- The launch of new services such as Adviescheques (Consulting Pass) in association with the Flemish government permitting small businesses to use consultants,
- And client wins such as Business Objects in France and Pepsi in Hungary.

About Sodexho Alliance

Founded in Marseille in 1966 by Chairman and Chief Executive Officer Pierre Bellon, Sodexho Alliance is the world's leading provider of food and management services. With more than 315,000 employees on 24,700 sites in 74

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countries, Sodexo Alliance reported consolidated sales of 12.6 billion euros for the fiscal year that ended on August 31, 2002. The Sodexo Alliance share has been listed since 1983 on the Euronext Paris Bourse, where its market value totals 3.3 billion euro. The Sodexo Alliance share has been listed since April 3, 2002, on the New York Stock Exchange.

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