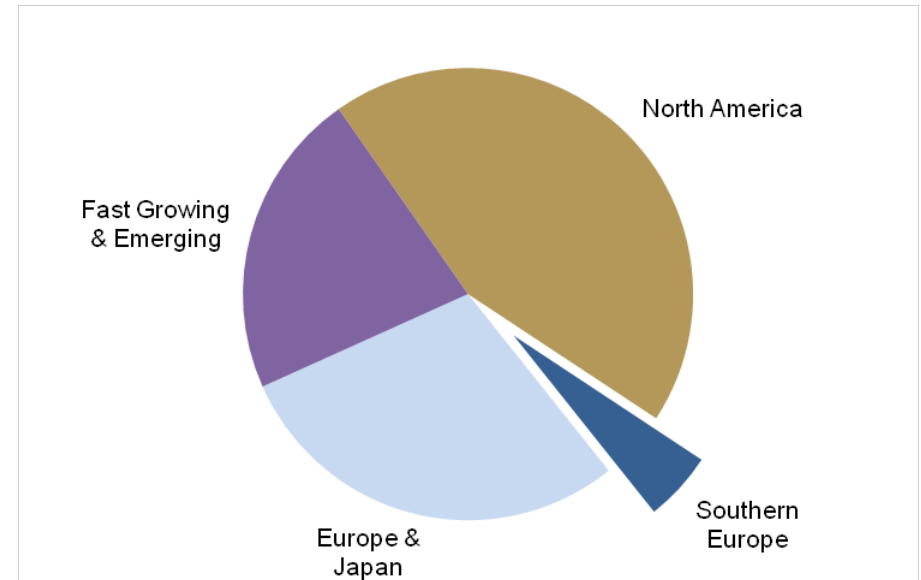


Full Year Pre-Close Trading Update & European Action Plans

Thursday 27 September 2012



1. Update on Trading – Richard Cousins
2. European Strategy – Richard Cousins
3. European Financials – Dominic Blakemore
4. Summary & Outlook – Richard Cousins
5. Q&A



Update on Trading



- Good performance in the fourth quarter; organic revenue growth expected to be c.6%
- Full year organic growth of around 5.5%; operating profit up c.8%; margin slightly ahead
- £95m expected annual cost savings by 2014 to protect profitability and improve efficiency
- European exceptional cash charge of £150m over 2 years, £195m non-cash exceptional
- Expectations for 2012 and 2013 maintained

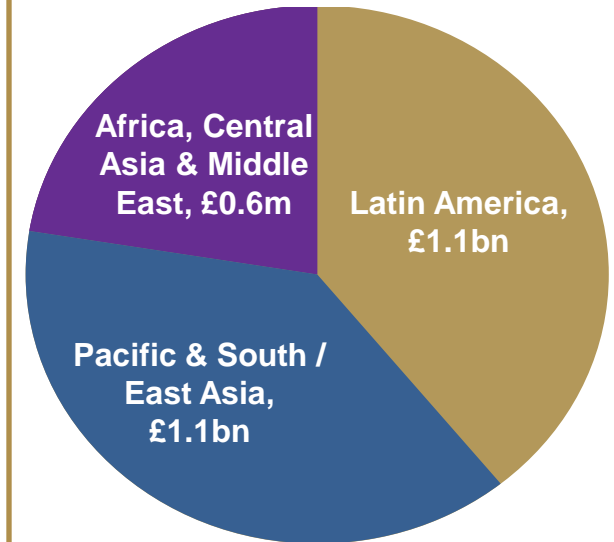
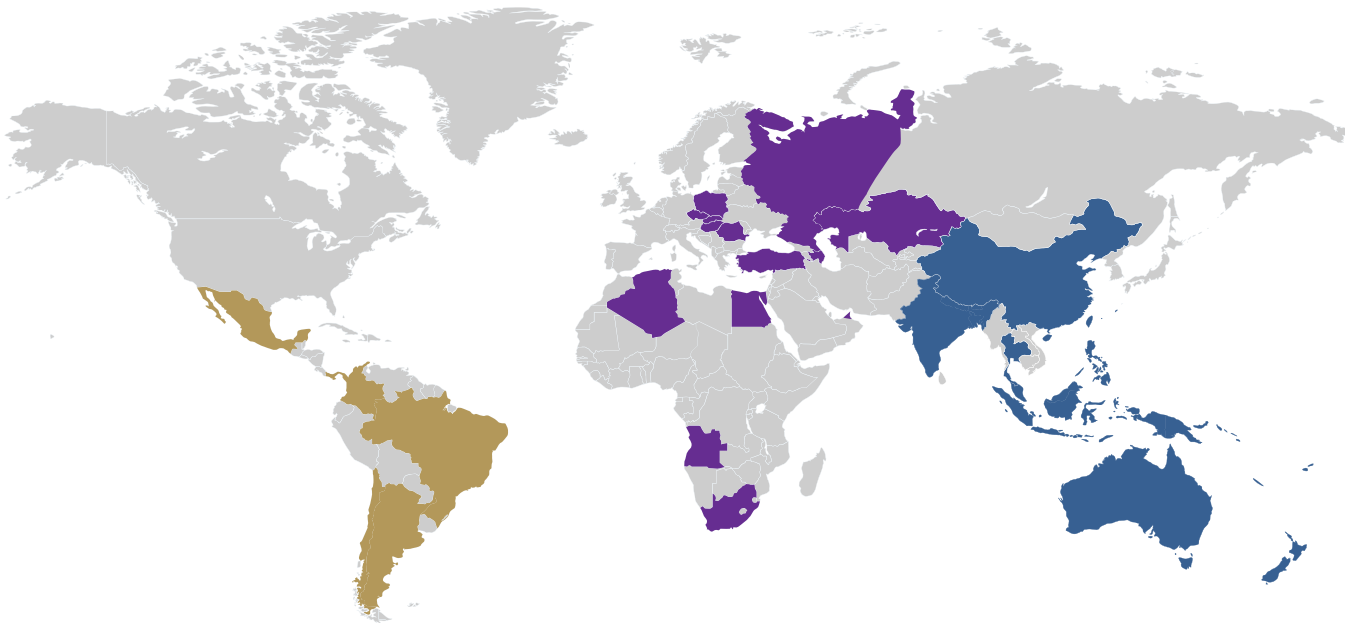
2011/12

- Another excellent year
- Full year organic growth of over 8%
- Steady 10 bps margin progression
- Excellent MAP 1 performance
- Ascension Health contract successfully mobilised

Looking forward

- Exciting pipeline of new business
- Healthy outsourcing culture
- Huge market opportunity
- Strong management team
- We are optimistic about the future

Fast Growing & Emerging revenue by sub-region



2011/12

- Double digit organic growth of c.12%
- Good progress in building management teams and processes
- Steady margin in line with last year

Looking forward

- Excellent growth prospects
- Outsourcing accelerating
- Great revenue and margin opportunities

2011/12

- Revenue decline of c.1%
- Increasingly negative like for like volume trends, particularly in Southern Europe
- Pressure on margin from difficult economic conditions

Looking forward

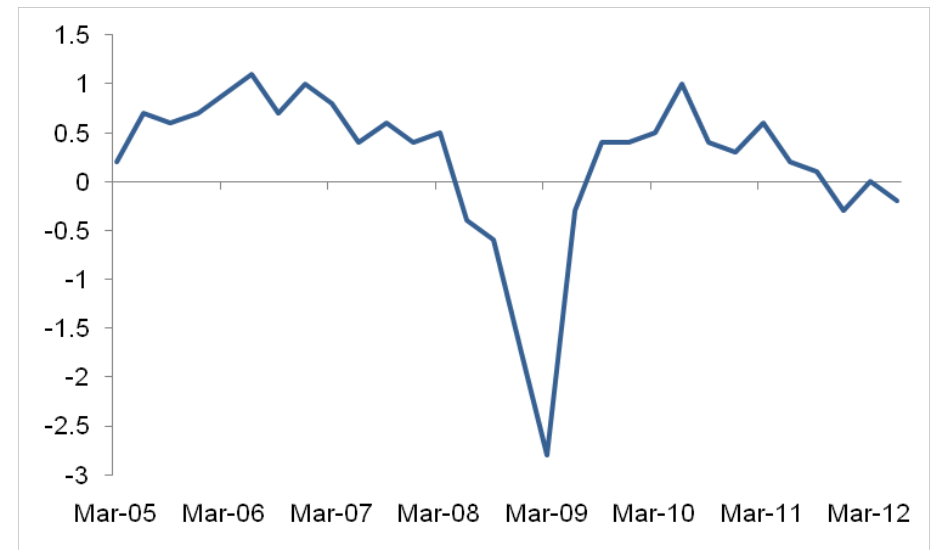
- Short-term economic pressures
- Actions to drive efficiency and competitiveness
- Healthy medium term opportunities

European Strategy



- Declining GDP growth & downward revisions to forecasts
- Modest recovery post 2008/9 but temporary
- Good new business; pressure on like for like volume

Eurozone quarterly GDP growth 2005-12





North East Europe

Some modest growth
Stable like for like volume

France & UK

Challenging economic conditions
Moderately negative like for like volume

Southern Europe

Very difficult economic conditions
Strongly negative like for like volume

Breakdown of Organic Revenue Growth



Europe & Japan	2012		
%	H1	H2 (est.)	FY (est.)
Net new business	(0.8)%	(1.0)%	(0.9)%
Like for like revenue	0.4%	0.0%	0.2%
Organic growth	(0.4)%	(1.0)%	(0.7)%

Breakdown of Like for Like Revenue



Europe & Japan	2012			
	%	H1	H2 (est.)	FY (est.)
Like for like		0.4%	0.0%	0.2%
- Price		1.5%	1.5%	1.5%
- Volume		(1.1)%	(1.5)%	(1.3)%

- Volume ex. Japan	(1.5)%	(2.5)%	(1.8)%
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Region	Trend
North East Europe	0%
France & UK	(2.5)%
Southern Europe	(5)%

Revenue and Profit Impact of Declining Volumes

LfL volume decline (%) Europe only	(2)%	(3)%	(4)%
Est. FY revenue for Europe (£m)	5,500	5,500	5,500
Revenue impact (£m)	(110)	(165)	(220)
Profit drop through (%)	35%	35%	35%
Profit impact (£m)	(39)	(58)	(77)

Fixed labour agreements in Europe result in higher drop through than in other parts of the world

- New management structure bringing greater focus
- Detailed bottom up review carried out
- Fundamentals of the business are solid, good strategy in place
- Good outsourcing potential; re-engineering cost base to drive growth

Two key actions  **Restructure Mediterranean**
Reduce European costs

map 5

Overheads

- Good progress; still many opportunities

map 3

Food

- Improved performance but more to do

map 4

In-unit
costs

- **Much** more to do

Decisive action to reduce fixed cost element of labour

European Financials



Accelerated Cost Efficiencies – MAP 4 Labour

Exceptional cash charge (£m)

2012	2013	Total
100	50	150

Annual savings (£m)

	2013	2014
Saving from 2012 investment	35	50
Savings from 2013 investment	15	25
Total savings	50	75

- £150m restructuring charge in 2012 and 2013
- £75m annual savings by 2014
- Cash payback of 2 years

Non-Cash Restructuring Costs

Contract provisions

Ring fence all loss-making contracts
Focus on profitable core

Receivables


Full review of debtors
Provision made where required

Disposals

Sell / exit all non-core operations
Simplify & re-focus the business

Property / assets

Consolidation of office space & asset write downs



2012 charge: £195m
£20m benefit in 2013

Short Term Expectations Unchanged



- Expectations for 2012 remain positive and unchanged
- Laying foundations for improved performance
- Actions underpin market expectations for 2013, despite economic headwinds

Group Summary & Outlook



- Compass is performing well
- Solid fundamentals in Europe but economic conditions expected to remain challenging; decisive action being taken
- Positive on global opportunities to drive further revenue, cash flow & margin progression
- Expectations for 2012 and 2013 maintained

