



2013 Full Year Results

Wednesday 27 November 2013

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Presentation structure

1. Sir Roy Gardner

Welcome & highlights

2. Dominic Blakemore

Full year results

3. Richard Cousins

Business review, strategy & outlook

4. Q&A

Business highlights

- Good full year performance
- Organic revenue growth of 4.3%
- Underlying operating profit margin up 20bps to 7.1%
- Full year dividend increased by 12.7% to 24 pence
- Additional share buyback programme of £500m in 2014

2013 Full Year Results

Dominic Blakemore
Group Finance Director



Revenue

	2013 £m	2012 £m	Change		
			Reported Rates %	Constant Currency %	Organic Growth %
North America	8,150	7,517	8.4%	7.3%	8.0%
Europe & Japan	6,039	6,243	(3.3)%	(2.5)%	(3.0)%
Fast Growing & Emerging	3,368	3,145	7.1%	11.6%	10.2%
Revenue	17,557	16,905	3.9%	4.5%	4.3%

Notes:

1. Based on continuing operations.

2. Constant currency increase is based on 2012's results restated at 2013's average exchange rates.

3. Organic growth adjusts for acquisitions, disposals and exchange rate movements.

Operating profit – Reported currency

	2013	2012	Change	Change Analysed By		
				Currency	Acquisition / Disposal	Organic
North America	657	598	59	6	(3)	56
Europe & Japan	420	397	23	(2)	3	22
Fast Growing & Emerging	242	235	7	(9)	3	13
Unallocated central overheads	(64)	(60)	(4)	-	-	(4)
Associates	10	8	2	-	-	2
Operating profit	1,265	1,178	87	(5)	3	89

Notes:

1. Based on continuing operations, excluding European exceptional £59m (2012: £295m), exceptional goodwill impairment £377m (2012: nil), amortisation of intangibles arising on acquisitions £25m (2012: £18m), acquisition transaction costs £3m (2012: £9m) and adjustment to contingent consideration on acquisition £1m credit (2012: nil).

Impact of currency on operating profit

	2012 Average Rate	2013 Average Rate	Impact on 2012 Profit	25-Nov Spot Rate	Impact on 2013 Profit
USD	1.58	1.57	£6m	1.62	£(21)m
CAD	1.59	1.59	-	1.71	£(4)m
EUR	1.21	1.19	£3m	1.20	£(1)m
YEN	124.35	143.83	£(7)m	164.73	£(6)m
AUD	1.53	1.58	£(3)m	1.77	£(12)m
BRL	2.99	3.30	£(4)m	3.69	£(5)m
TRY	2.86	2.90	-	3.23	£(2)m
Total currency impact			£(5)m		£(51)m

Operating profit and margin – Constant currency

	2013 £m	2012 ² £m	Change		Margin ³	
					2013	2012
			£m	£m	£m	%
North America	657	604	53	8.8%	8.1%	8.0%
Europe & Japan	420	395	25	6.3%	7.0%	6.4%
Fast Growing & Emerging	242	226	16	7.1%	7.2%	7.5%
Unallocated central overheads	(64)	(60)	(4)			
Associates	10	8	2			
Operating profit	1,265	1,173	92	7.8%	7.1%	6.9%

Notes:

1. Based on continuing operations, excluding European exceptional £59m (2012: £295m), exceptional goodwill impairment £377m (2012: nil), amortisation of intangibles arising on acquisitions £25m (2012: £18m), acquisition transaction costs £3m (2012: £9m) and adjustment to contingent consideration on acquisition £1m credit (2012: nil).

2. 2012 has been restated to 2013 average exchange rates.
3. Margin excludes profit from associates.

Operating profit growth – Constant currency

£m (estimated)	2013	2012
Net new business	40	35
Base estate	63	35
Above unit overheads	(16)	(6)
Associates	2	-
Organic operating profit growth	89	64
Acquisitions/disposals	3	31
Total operating profit growth	92	95

Notes:

1. Based on continuing operations, excluding European exceptional £59m (2012: £295m), exceptional goodwill impairment £377m (2012: nil), amortisation of intangibles arising on acquisitions £25m (2012: £18m), acquisition transaction costs £3m (2012: £9m) and adjustment to contingent consideration on acquisition £1m credit (2012: nil).

2. Total operating profit growth compares the current year results against the prior year results at current year average exchange rates.

European exceptional

Announced in September 2012

- Material like for like volume declines expected, potential FY profit impact of £60m
- Labour cost reduction & flexibility plans launched
- £295m exceptional charge in 2012, further c.£50m expected in 2013
- Significant savings expected

Delivered in 2013

- Like for like volume decline and profit impact as expected
- Action plans delivered on track to offset this profit impact
- 2013 exceptional charge £59m
- £25m profit growth and 60bps margin progression

Delivering as expected

Goodwill

- Legacy issue
- UK goodwill £1.8 billion to £1.4 billion
- £377 million impairment, non-cash
- Significant increase in discount rates
- Solid performance in the UK, in challenging markets
 - Delivery in line with budget
 - No change to future expectations

Income statement

£m	2013			2012	
	Reported	Exceptional	Non-Underlying	Underlying ³	Underlying ³
Revenue	17,557	-	-	17,557	16,905
Operating profit ²	802	(436)	(27)	1,265	1,178
<i>European exceptional</i>		(59)			
<i>Goodwill impairment</i>		(377)			
Other losses	(1)	-	(1)	-	-
Net finance costs	(80)	-	(3)	(77)	(85)
Profit before tax	721	(436)	(31)	1,188	1,093
Tax	(287)	16	6	(309)	(284)
Profit after tax	434	(420)	(25)	879	809
Non-controlling interest	(8)	-	-	(8)	(6)
Attributable profit	426	(420)	(25)	871	803
Average number of shares (millions)	1,827	1,827	1,827	1,827	1,884
Basic earnings per share (pence)	23.3p	(23.0)p	(1.4)p	47.7p	42.6p

Notes:

1. Based on continuing operations.

2. Including share of profit of associates.

3. The underlying column excludes European exceptional £(59)m (2012: £(295)m), exceptional goodwill impairment £(377)m (2012: nil), amortisation of intangibles arising on acquisitions £(25)m (2012: £(18)m), acquisition transaction costs £(3)m (2012: £(9)m), adjustment to contingent consideration on acquisition £1m (2012: nil), loss on disposal of the US Corrections business £(1)m (2012: £23m), hedge accounting ineffectiveness £(3)m (2012: £(6)m), change in the fair value of investments and non-controlling interest put options nil (2012: £1m), the tax attributable to these amounts £24m (2012: £69m) and the exceptional recognition of tax losses £(2) (2012: £37m).

Underlying income statement at constant currency

£m	2013	2012 ³	Growth
Revenue	17,557	16,805	
Operating profit ²	1,265	1,173	+7.8%
Net finance costs	(77)	(85)	
Profit before tax	1,188	1,088	
Tax	(309)	(283)	
Profit after tax	879	805	
Non-controlling interest	(8)	(6)	
Attributable profit	871	799	+9.0%
Average number of shares (millions)	1,827	1,884	
Basic earnings per share (pence)	47.7p	42.4p	+12.5%

Notes:

1. Underlying excludes European exceptional £(59)m (2012: £(295)m), exceptional goodwill impairment £(377)m (2012: nil), amortisation of intangibles arising on acquisitions £(25)m (2012: £(18)m), acquisition transaction costs £(3)m (2012: £(9)m), adjustment to contingent consideration on acquisition £1m (2012: nil), loss on disposal of the US Corrections business £(1)m (2012: £23m), hedge accounting ineffectiveness £(3)m (2012: £(6)m), change in the fair value of investments and non-controlling interest put options nil (2012: £1m), the tax attributable to these amounts £24m (2012: £69m) and the exceptional recognition of tax losses £(2)m (2012: £37m).

2. Including share of profit of associates.
3. 2012 column restates 2012 to 2013 average exchange rates, using the 2012 underlying tax rate.

Free cash flow

£m	2013	2012
Operating profit ²	1,265	1,178
Depreciation and amortisation	299	282
EBITDA	1,564	1,460
Net capital expenditure ³	(434)	(366)
Trade working capital	102	31
Provisions	(35)	(17)
Post employment benefits	(54)	(54)
Net interest	(65)	(73)
Net tax	(256)	(225)
Net other items	12	4
Free cash flow	834	760

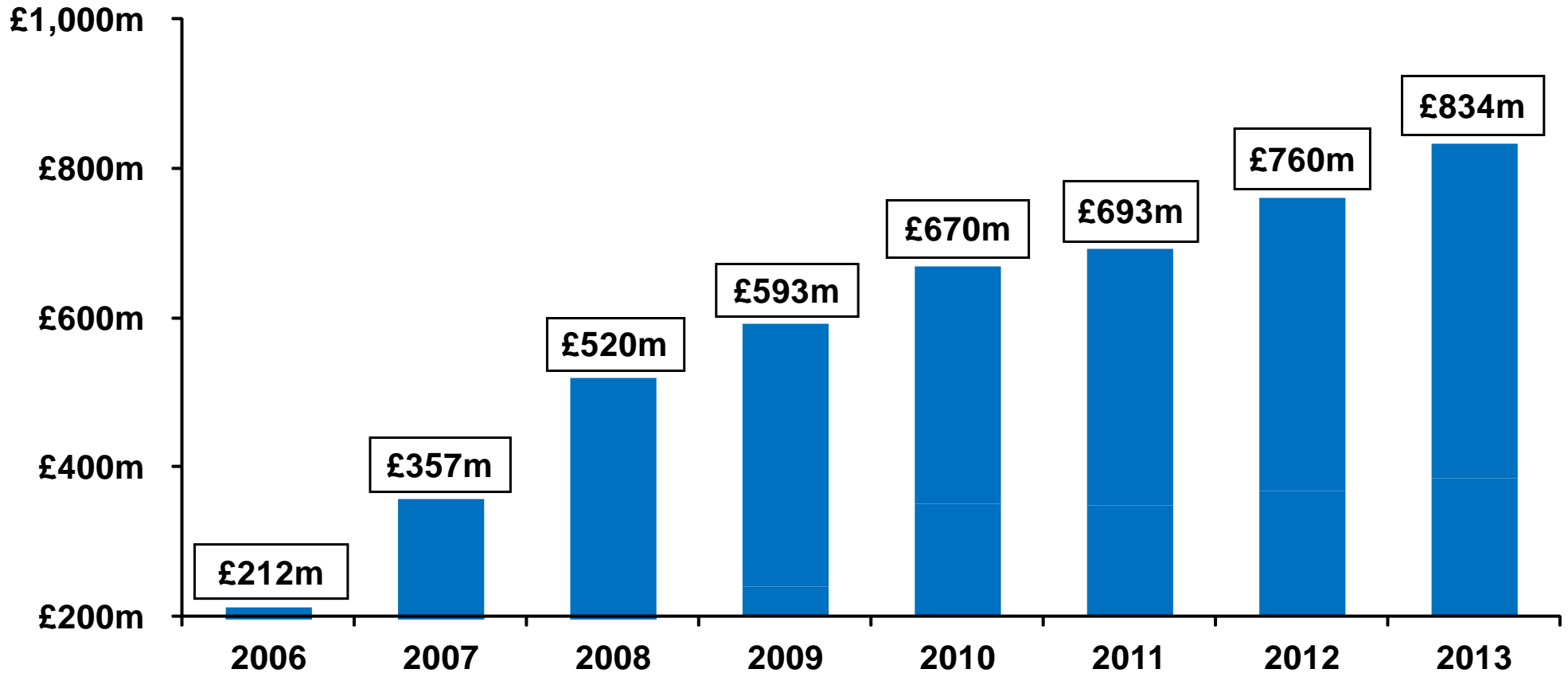
Notes:

1. Based on continuing operations and excluding the cash impact of the European exceptional, net of tax, £72m (2012: £20m) and the cash impact of non-recurring tax issues nil (2012: £31m).

2. Operating profit includes share of profit of associates

3. Gross capital expenditure including finance leases is £469m, 2.7% of revenue (2012: £394m, 2.3% of revenue).

Free cash flow progression



Notes:

1. Based on continuing operations and underlying free cash flow.
2. 2010 reported free cash flow was £744m. The £670m represents the free cash flow, after adjusting for cut-off timing benefits at the end of the year.

Net debt

	£m
Opening net debt at 1 October 2012	973
Underlying free cash flow from continuing operations	(834)
European exceptional cash flow ¹	72
Exceptional pension payment	72
Acquisitions ²	104
Disposals	(7)
Equity dividends	404
Purchase of own shares, net of proceeds from issues	437
Impact of foreign exchange rates	(32)
Other	4
Closing net debt at 30 September 2013	1,193

Notes:

1. European exceptional cash flow includes £95m of cash payments net of a £23m cash tax benefit.

2. Acquisitions includes £80m on infill acquisitions (including £12m on Nova in Canada and £63m on a number of acquisitions in the USA), £3m acquisition transaction costs and £21m deferred consideration and other payments relating to previous acquisitions.

Balance sheet efficiency

- Appropriate capital expenditure
- Progressive dividends
- Disciplined infill M&A
- Capital efficiency
 - Target to maintain strong investment grade credit ratings
 - Provide the business with the flexibility it requires
 - Equates to medium term reported net debt / EBITDA of around 1.0x – 1.2x
- 2014 share buyback of £500m

Committed to an efficient balance sheet

Financial summary

- Overall strong financial performance
- Organic revenue growth 4.3%
- Margin progression 20bps
- Constant currency EPS growth 12.5%
- Underlying free cash flow generation £834m
- Increase in full year dividend to 24.0 pence per share 12.7%
- Further share buyback £500m

Business review, strategy & outlook

Richard Cousins
Group Chief Executive



Agenda

1. Business performance and MAP
2. Group strategy
3. Regional strategy
4. Summary and outlook

Organic revenue growth

%	2011	2012	2013
New business	8.8	9.0	8.8
Lost business	(5.8)	(5.7)	(6.3)
Net new business	3.0	3.3	2.5
LFL revenue	2.4	2.1	1.8
Organic growth	5.4	5.4	4.3

New business & retention



- Strong levels of new business
- Ongoing investment in sales and retention
- Best practice sharing and training forums
- Exciting pipeline



- Innovative consumer propositions
- Appropriate pricing policies
- Incisive sales and marketing
- New initiatives
- Measuring success

My + Choice



Partnering with



Driving efficiencies

map 3

- Menu standardisation
- Product & supplier rationalisation
- Logistics & waste reduction

map 4

- Increased flexibility
- Productivity, scheduling & planning

1% more efficient = >£150m improvement

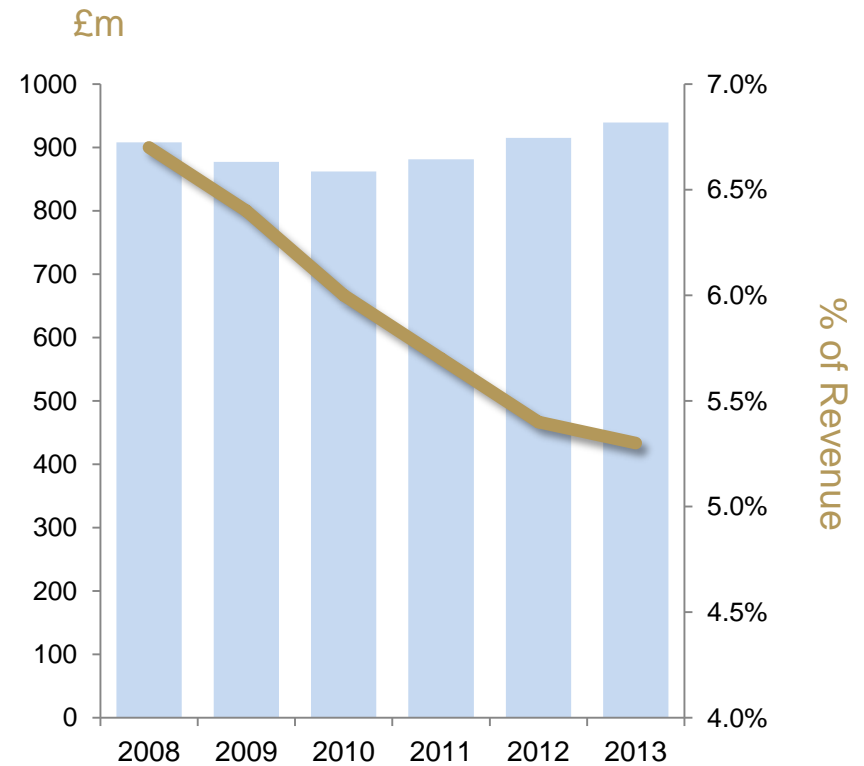
Driving efficiencies



Above unit overheads (AUO)

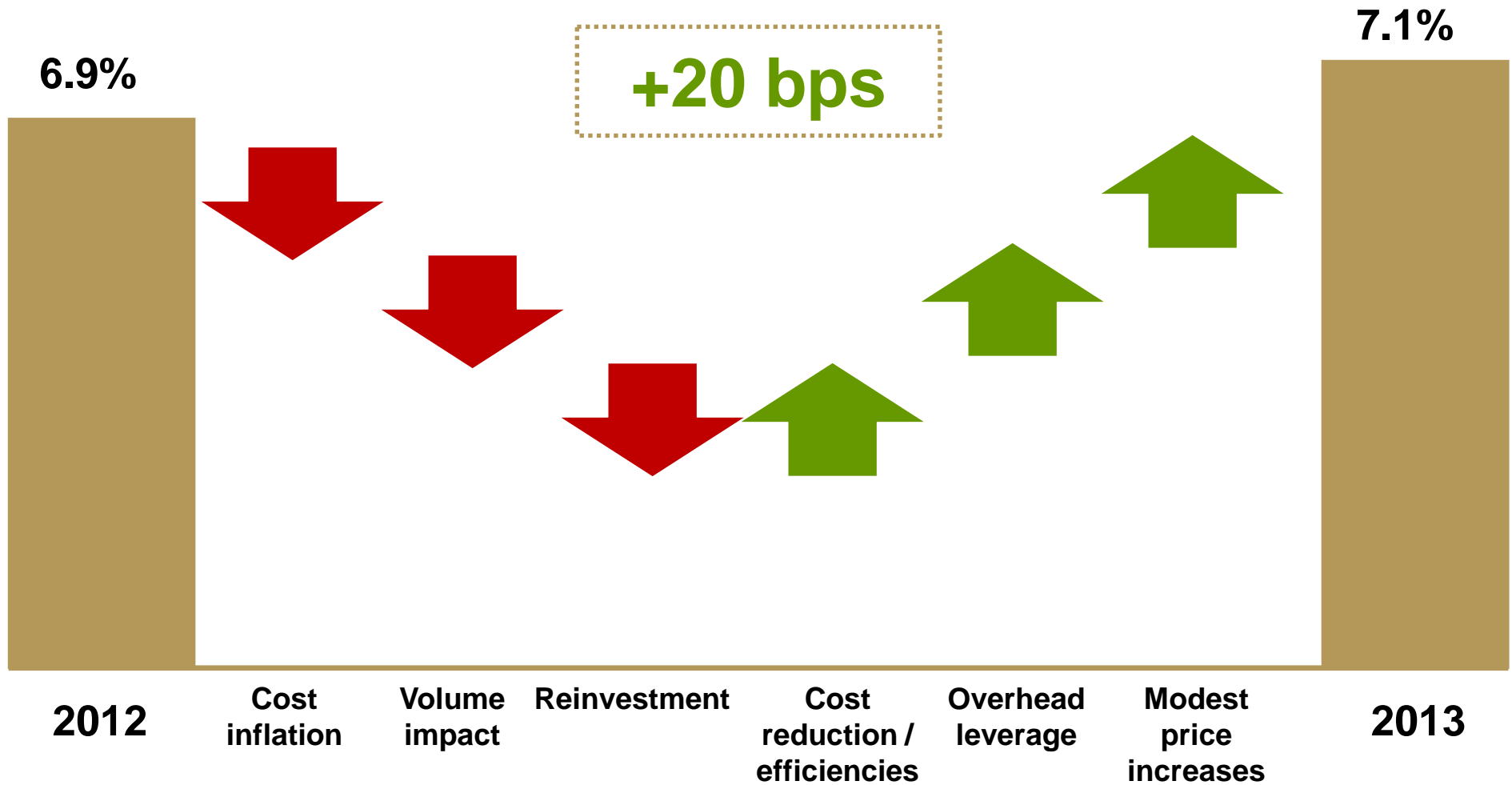
- Simplification, less bureaucracy
- Focus on back of house cost reduction
- Redeployment of cost
- Limited absolute increase in overhead, whilst delivering strong top line growth

MAP 5: above unit overheads

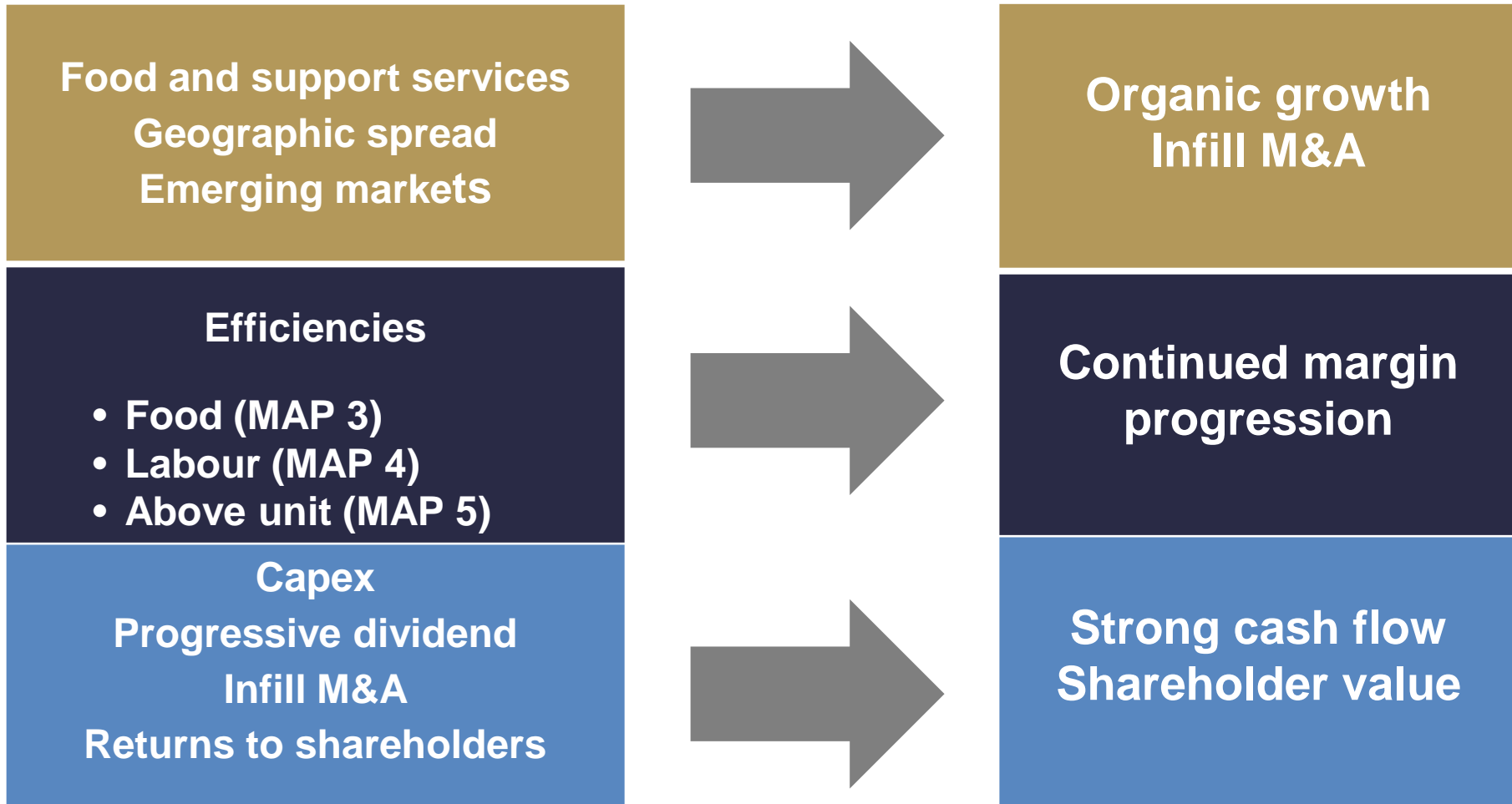


AUO / revenue reduced by >100 basis points

Margin progression

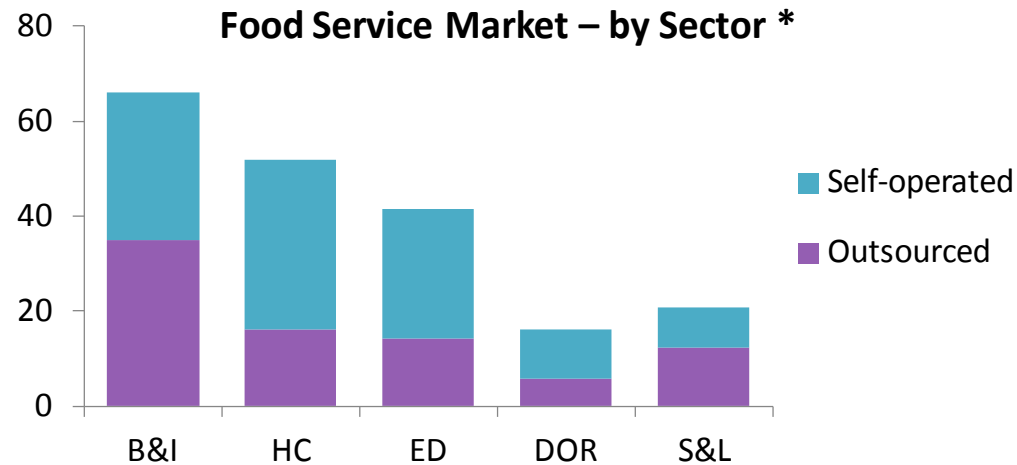
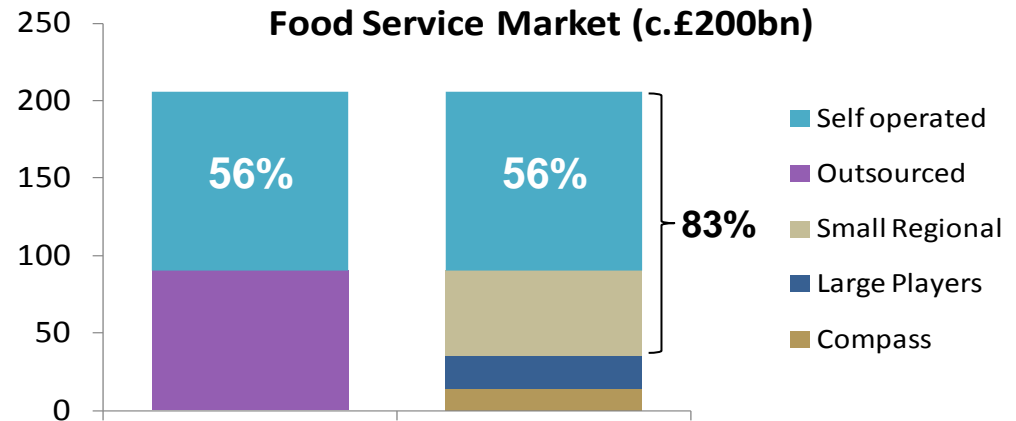


Consistent strategy



Food: significant structural growth opportunity

- Food service market c.£200bn, <50% outsourced
- Available market: >80% self operated or small regional players
- Ranked 1 or 2 in most key markets
- Underpenetrated sectors



Note: market data figures based on Compass Group management estimates
 * Excludes North America vending (c.£9bn)

Support and multi services: our approach

- Incremental and low risk approach
- Country and sector specific strategy
- Growth opportunities in all sectors
- Soft support services; self performed

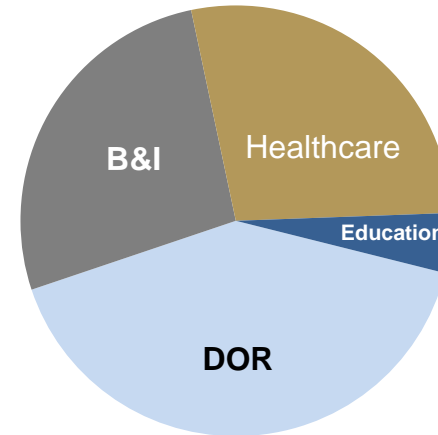
nationalgrid



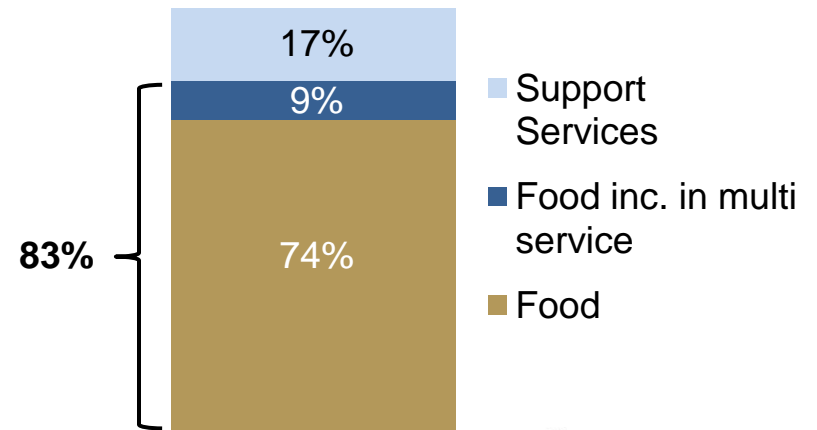
hannover re®

RioTinto

Support and multi services by sector

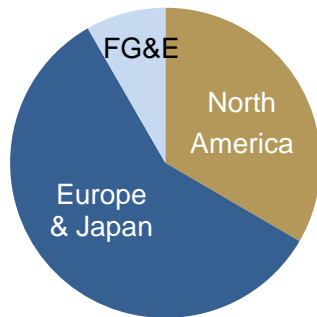


Group revenue split: FY 2013

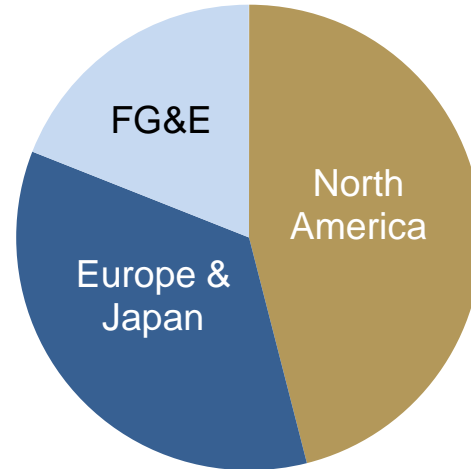


Geographic strategy: regional approach

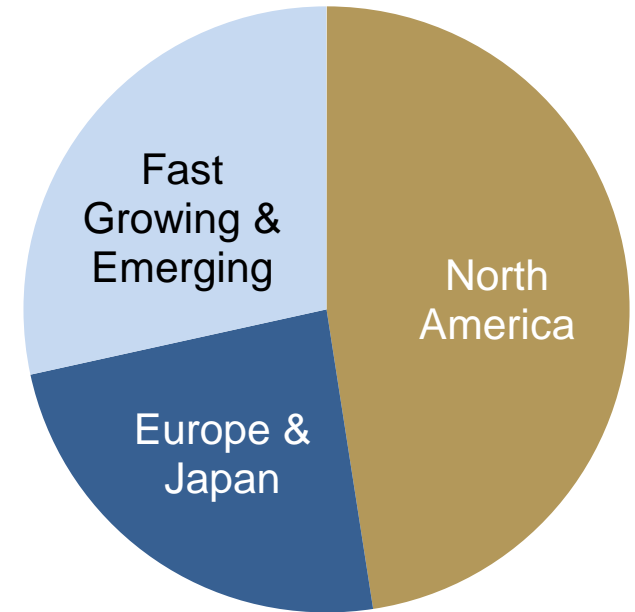
2003



2013



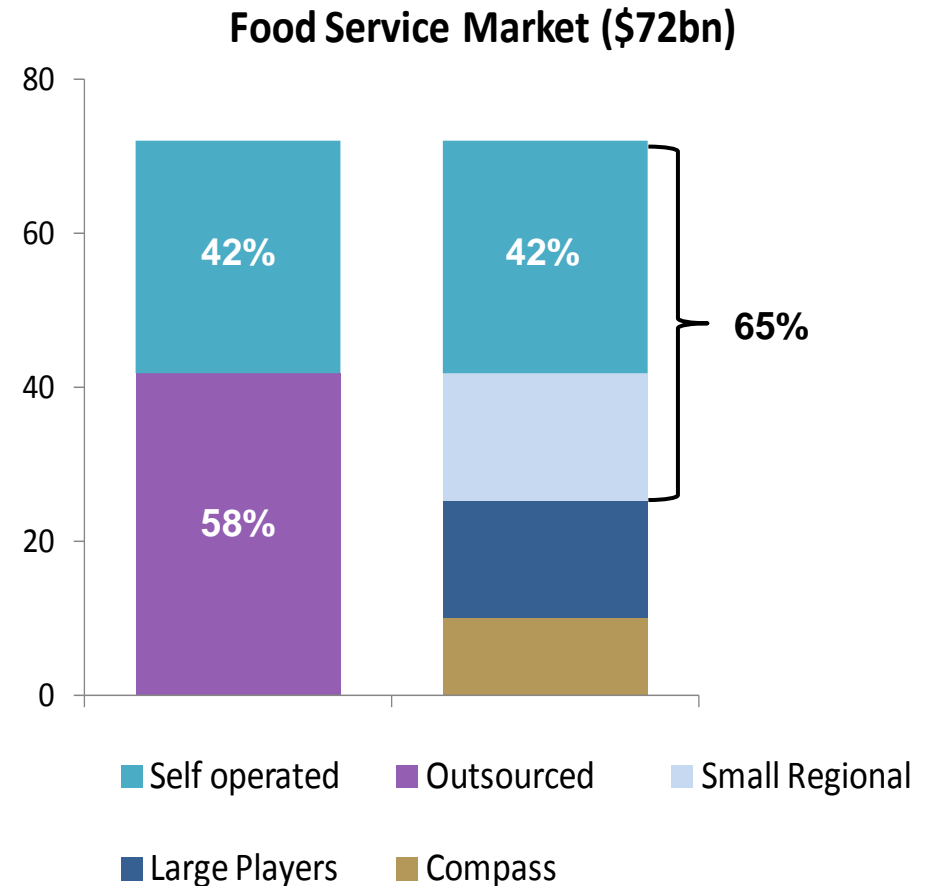
The future?



- **North America:** core growth engine; a market leading position
- **Europe & Japan:** fundamentals solid; good medium term opportunities
- **Fast Growing & Emerging:** excellent potential; investing to support growth

North America strategy

- Leader in a growing market
- Vibrant outsourcing trend
- Excellent sales and retention
- Further opportunities to leverage scale
- Excellent management

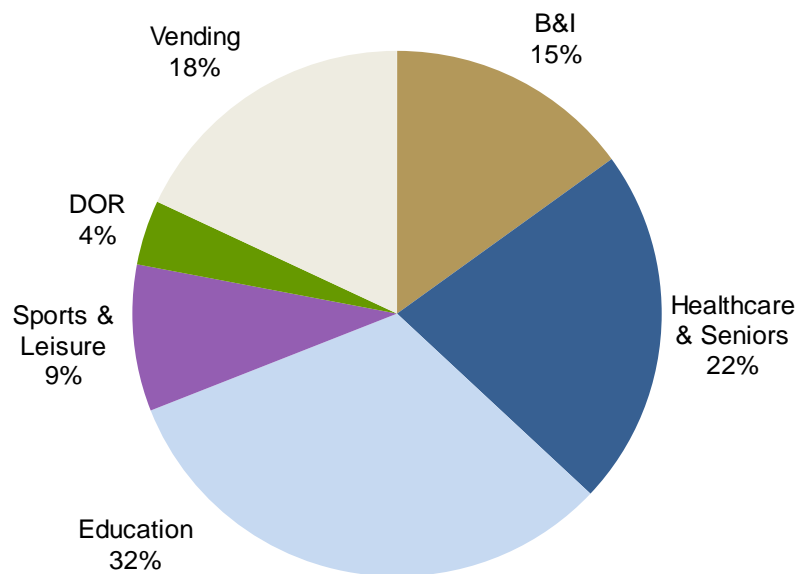


Note: Compass Group management estimates

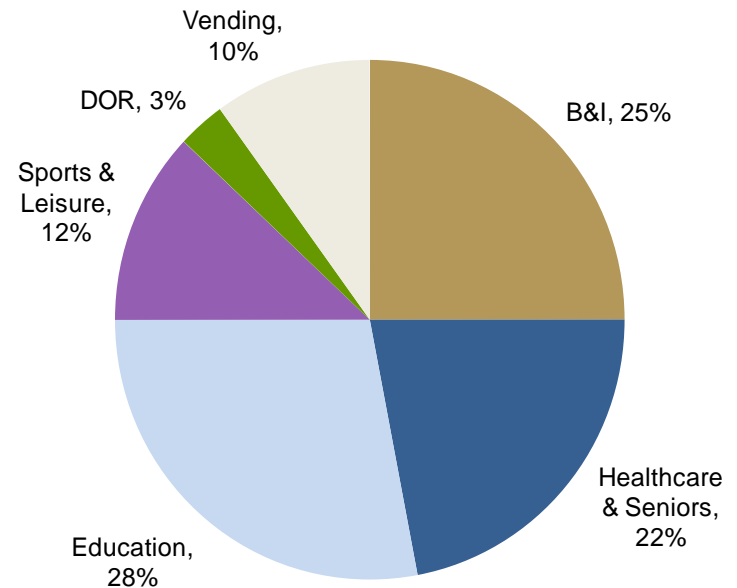
Well balanced & diversified business

- Wide geographic presence: 48 states, 10 provinces & 2 territories
- Access to all market segments

North American market



Compass Group North America 2013 revenue



Note: above figures exclude support services
Market data chart based on Compass management estimates

Driving organic growth



- Top ten facility in New York – 1,170 beds; 2,500 doctors
- **2002:** Cleaning services only, one site
- **Today:** range of support services and food across the network

Annual revenue \$4m to \$30m

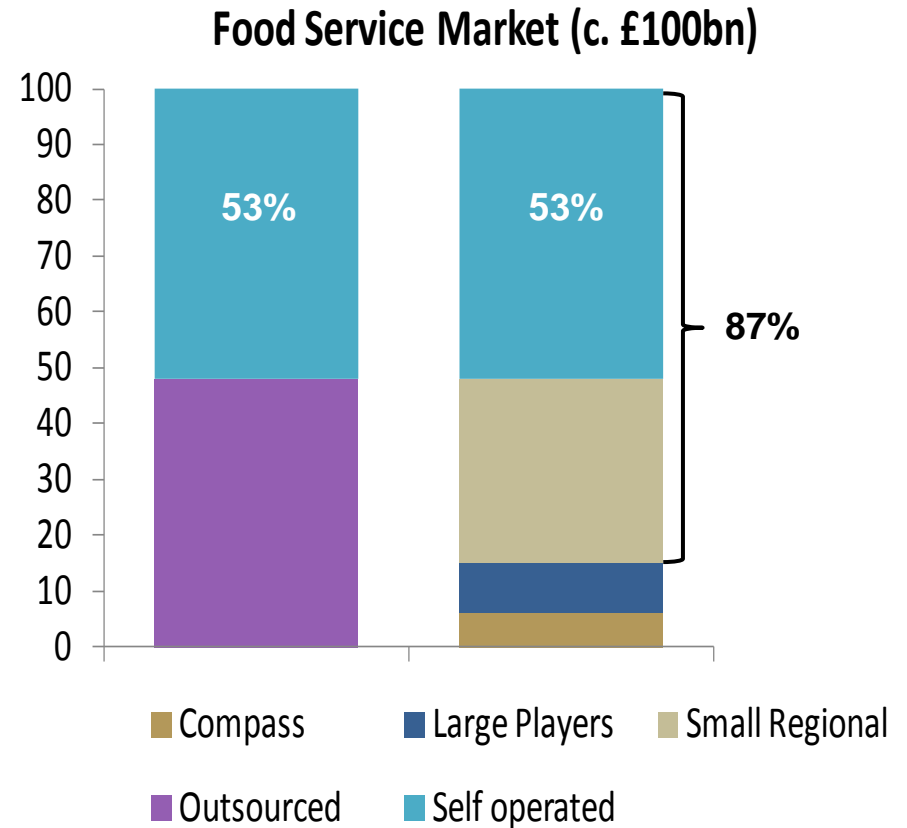


- Global Internet services provider
- **2003:** Initial consultancy agreement for one site
- **Today:** full range of food services to locations in 17 countries

1 location to >60 across the world

Europe & Japan strategy

- Challenging economic backdrop
- But large, underpenetrated market
- Strong market positions
- Good medium term opportunities



Note: market data figures based on Compass Group management estimates

Immediate focus

Continued focus on cost efficiencies

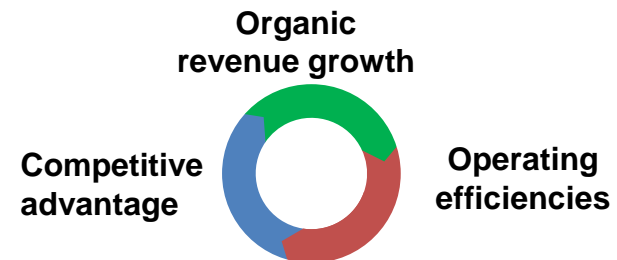
MAP 3 MAP 4 MAP 5

- Food cost reduced / traceability improved
- Lower labour costs, increased flexibility
- Lean management techniques
- Reduced above unit overhead

Driving top line

MAP 1 MAP 2

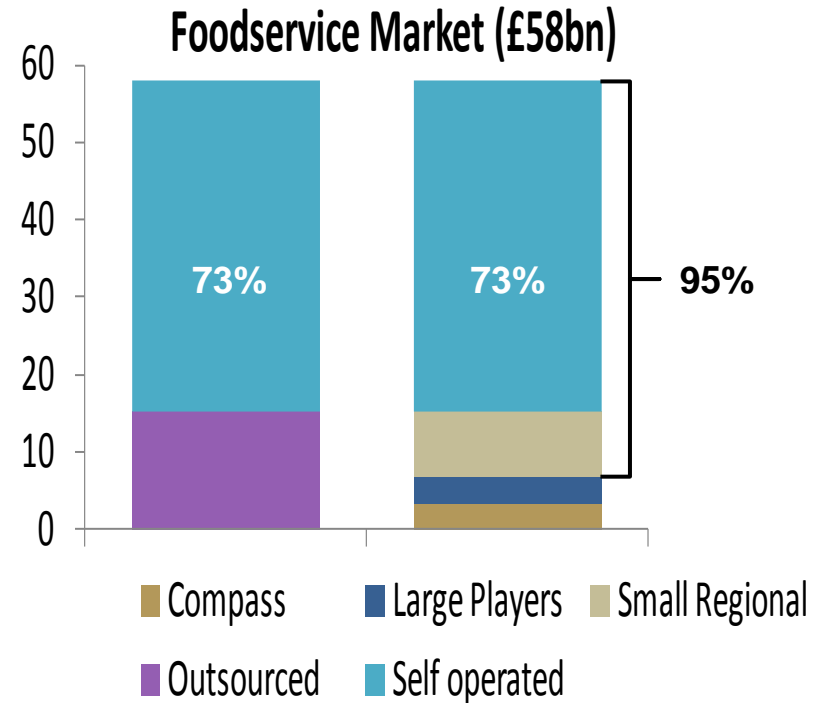
- Significant market opportunity
- Increased focus on sales and retention
- Training & investment



Lower cost base \Rightarrow top line opportunities

Fast Growing & Emerging strategy

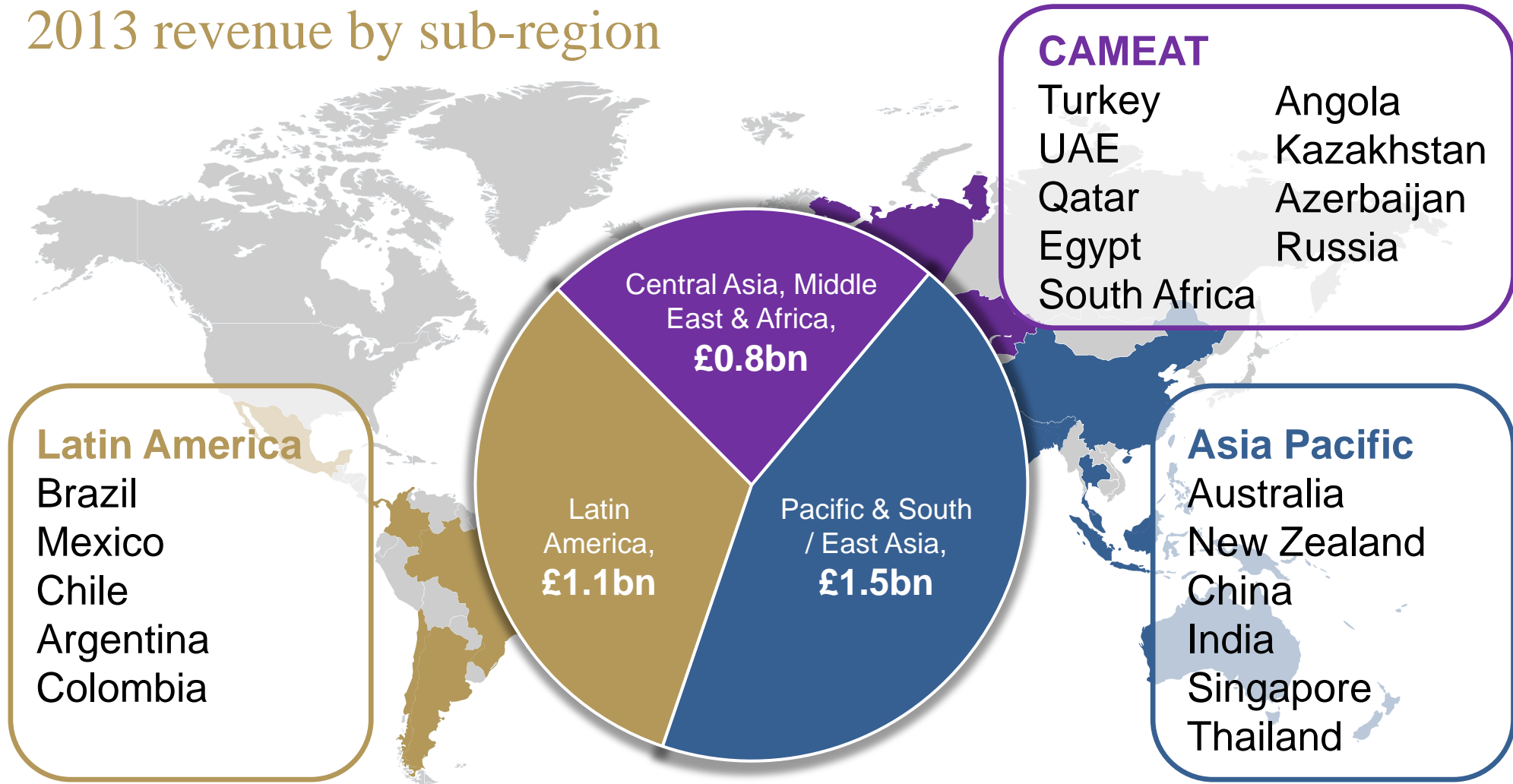
- Growing significance to the Group
- Streamlined focus
- Huge opportunity but discipline needed
- Investing for growth



Note: Compass Group management estimates

Fast Growing & Emerging

2013 revenue by sub-region



LatAm: exciting growth opportunities in Brazil



Healthcare / Education

- Trend to outsourcing
- Investment
- Professionalised segment management



Support Services

- Organic consolidation
- Professionalising service process
- Cross-selling to foodservice clients



DOR

- Offshore oil/gas discoveries
- Continued minerals resource explorations
- Infrastructure prospects

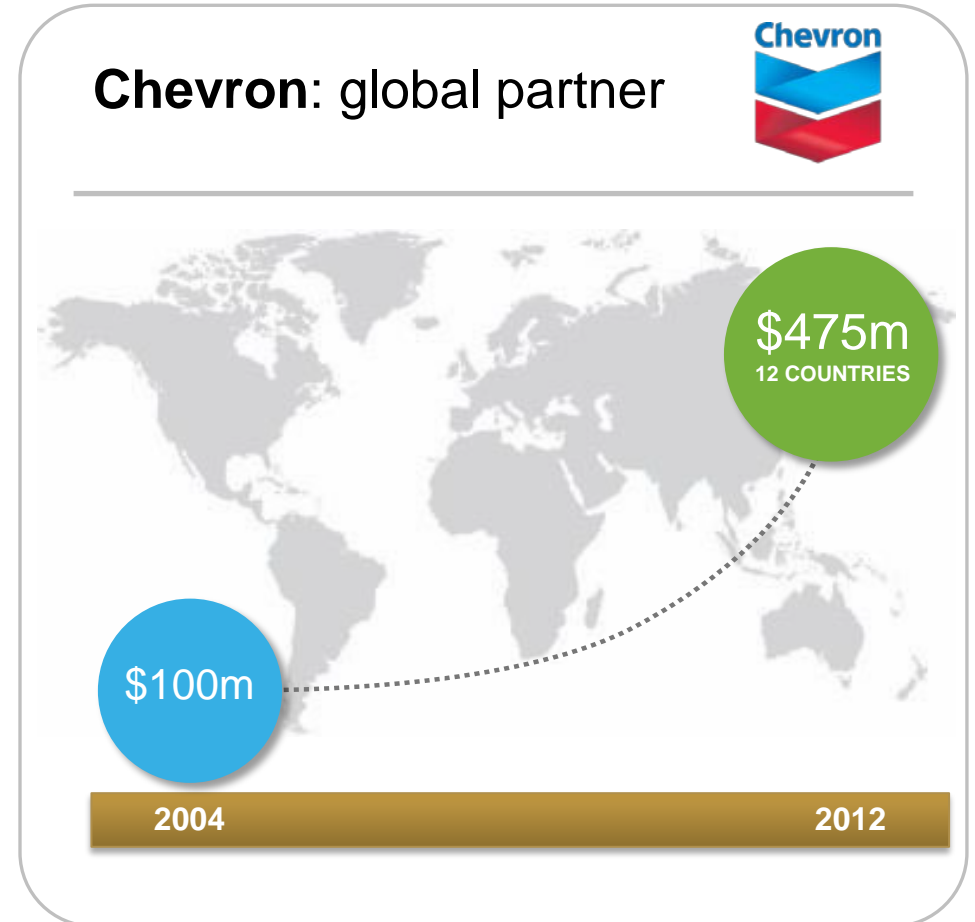


B&I

- Organic consolidation
- Regional opportunity
- MAP development

CAMEAT: working with multi national energy & resource companies

- Global relationships
- Across all commodities
- Leadership in health and safety
- Full multi service model



Asia Pacific: great growth opportunities in China

Market

- Significant market potential
- Increasing urbanisation
- Low outsourcing
- Highly fragmented: top 3 players <5%
- Increasing focus on HSE & governance

Compass China & HK

- 4,300 employees, 225 sites, 47 cities
- Strong organic growth & improved margin
- B&I and Education, growing Healthcare
- Multi nationals & growing domestic client base
- Strong HSE & governance proposition

Summary and outlook

- Another good year with solid organic revenue growth and margin progression
- Ongoing strength in North America and Fast Growing and Emerging
- European action plans are delivering
- 12.7% dividend increase and further £500m buyback
- Significant structural growth opportunities in food and support services globally

Confident of further shareholder value creation



Supplementary Information

2013 Full Year Results

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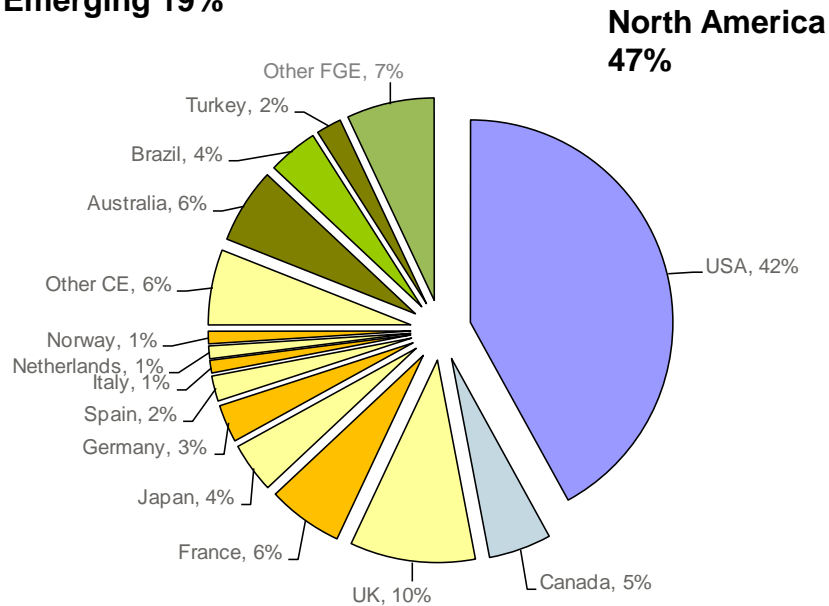
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Exchange rates **59** Rates used in consolidation

60-61 Effect on 2013 revenue & profit

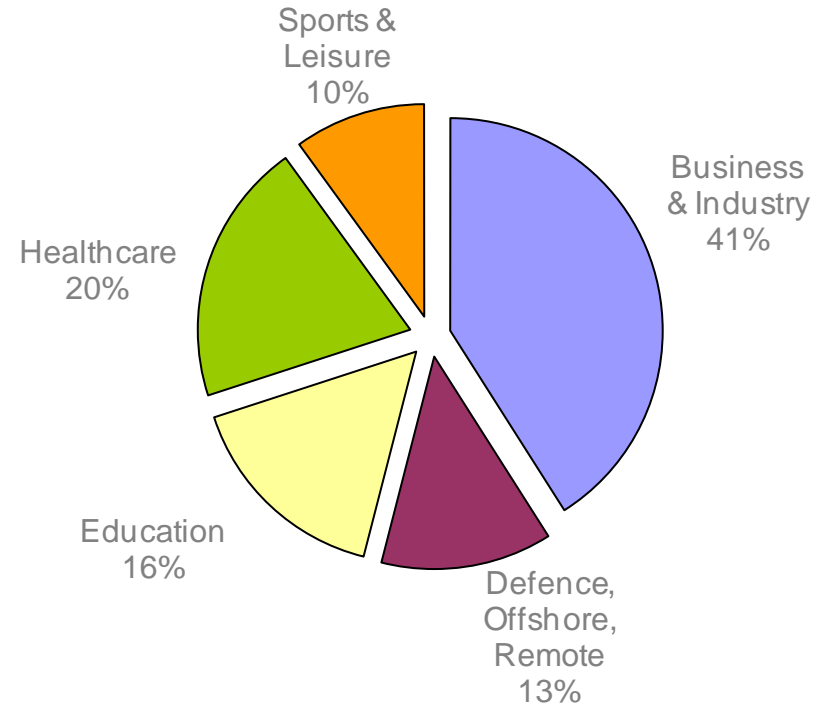
Group revenue – By geography & sector

Fast Growing & Emerging 19%



Europe & Japan 34%

North America 47%

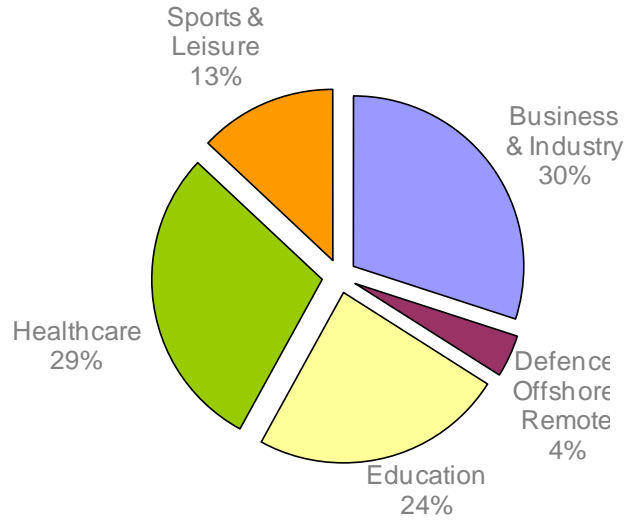


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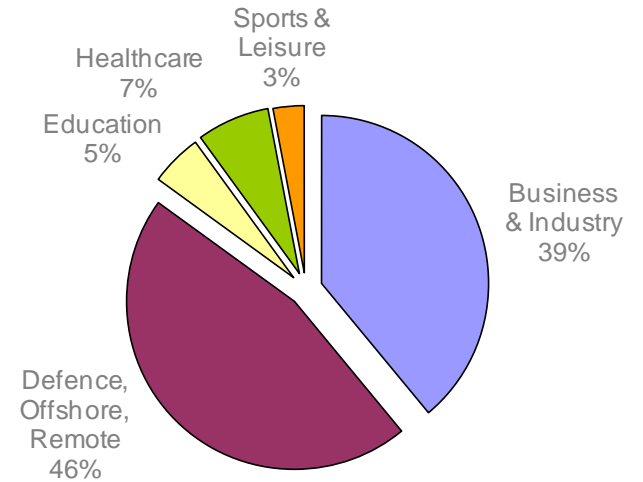
1. Based on continuing operations.

Revenue by sector – External geographies

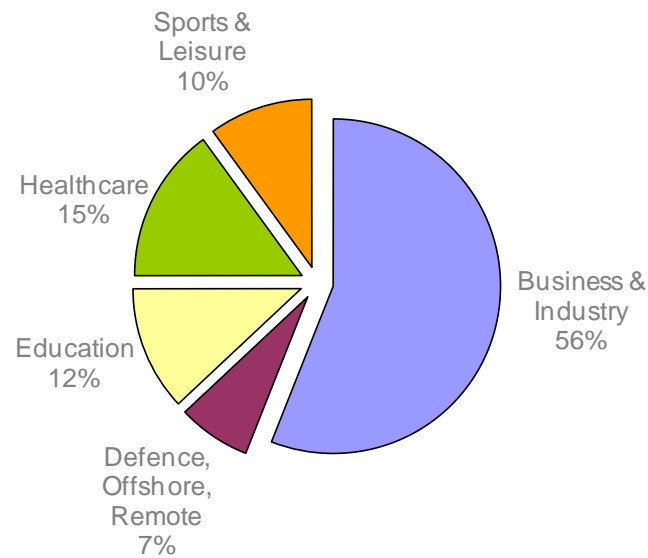
North America



Fast Growing & Emerging



Europe & Japan



Notes:

1. Based on continuing operations.

Sector financials - Group

	North America £m	Europe & Japan £m	Fast Growing & Emerging £m	Other ² £m	Total £m
2013					
Revenue	8,150	6,039	3,368		17,557
<i>Organic growth</i>	8.0%	(3.0)%	10.2%		4.3%
Operating profit ¹	657	420	242	(54)	1,265
<i>Margin</i> ³	8.1%	7.0%	7.2%		7.1%
Cash flow ⁴	616	416	170	(368)	834
<i>Cash flow conversion</i>	94%	99%	70%		66%
<i>ROCE</i> ⁵	27.3%	12.4%	22.9%		19.1%
2012					
Revenue	7,517	6,243	3,145		16,905
<i>Organic growth</i>	8.3%	(0.7)%	11.8%		5.4%
Operating profit ¹	598	397	235	(52)	1,178
<i>Margin</i> ³	8.0%	6.4%	7.5%		6.9%
Cash flow ⁴	532	376	207	(355)	760
<i>Cash flow conversion</i>	89%	95%	88%		65%
<i>ROCE</i> ⁵	26.6%	11.2%	24.9%		18.2%

Notes:

1. Operating profit based on underlying operations, excluding European exceptional, exceptional goodwill impairment, amortisation of intangibles arising on acquisitions, acquisition transaction costs and adjustment to contingent consideration on acquisition.

2. Other operating profit includes unallocated overheads of £64m (2012: £60m) and share of profit of associates £10m (2012: £8m). Other cash flow also includes net interest and tax.

3. Margin excludes share of profits of associates.

4. Cash flow excludes the cash impact of the European exceptional £72m (2012: £20m) and non recurring tax issues of £31m in 2012.

5. ROCE based on underlying operating profit, net of tax at the underlying rate for the year, less operating profit of non controlling interests. Capital employed is based on the 12 month average balance sheet, adjusted for post employment benefit obligations, net of associated deferred tax, impaired goodwill, amortised intangibles arising on acquisition and the net assets of non-controlling interests.

Sector financials – European exceptional

£m	2012	2013	2014
	Actual	Actual	Expected
Like for like volume	(2.0)%	(3.0)%	
Profit drop through (at 35%)	(40)	(60)	
Income statement savings:			
Accelerated cost efficiencies	-	50	75
Other charges	-	20	20
Total savings	-	70	95
Income statement charge:			
Accelerated cost efficiencies	100	59	-
Other charges	195	-	-
Total charge	295	59	-
Cash spent (pre-tax benefits)	20	95	44

EPS / dividends – Earnings & dividends per share

	2013	2012
<u>Earnings per share</u>		
Continuing and discontinued operations	23.5p	32.1p
Discontinued operations	(0.2)p	-
Continuing operations	23.3p	32.1p
Other adjustments ¹	24.4p	10.5p
Underlying earnings per share	47.7p	42.6p
<u>Dividends per share</u>		
Interim dividend	8.0p	7.2p
Final dividend	16.0p	14.1p
Total dividend	24.0p	21.3p

Notes:

1. Other adjustments include the impact of European exceptional, exceptional goodwill impairment, loss or gain on disposal of the US Corrections business, amortisation of intangibles arising on acquisition, acquisition transaction costs, adjustment to contingent consideration on acquisitions, hedge accounting ineffectiveness, the change in the fair value of investments and non-controlling interest put options, the tax attributable to these amounts and the exceptional recognition of tax losses.

EPS / dividends – Dividend cover

	2013	2012	2011	2010	2009
<u>Per share (pence)</u>					
Dividend (interim plus final)	24.0p	21.3p	19.3p	17.5p	13.2p
Underlying earnings ¹	47.7p	42.6p	39.0p	35.7p	30.0p
Dividend earnings cover	2.0x	2.0x	2.0x	2.0x	2.3x
<u>Cash (£m)</u>					
Cash cost of dividend (in the year)	404	378	360	258	229
Underlying free cash flow ²	834	760	693	670	593
Dividend cash cover	2.1x	2.0x	1.9x	2.6x	2.6x

Notes:

1. Underlying earnings excludes the impact of the European exceptional, exceptional goodwill impairment, loss / gain on disposal of the US Corrections business, amortisation of intangibles arising on acquisition, acquisition transaction costs, adjustment to contingent consideration on acquisition, hedge accounting ineffectiveness, the change in the fair value of investments and non-controlling interest put options, the tax attributable to these amounts and the exceptional recognition of tax losses.

50. Underlying free cash flow excludes the impact of the European exceptional and the non-recurring tax issues.

Free cash flow – Reconciliation of reported to underlying

£m	2013				2012			
	Reported	Adjs ⁴	Other ⁵	Underlying	Reported	Adjs ⁴	Other ⁵	Underlying
Operating profit ²	802	(436)	(27)	1,265	856	(295)	(27)	1,178
Depreciation and amortisation	701	377	25	299	337	37	18	282
EBITDA	1,503	(59)	(2)	1,564	1,193	(258)	(9)	1,460
Net capital expenditure ³	(434)	-	-	(434)	(366)	-	-	(366)
Trade working capital	102	-	-	102	64	33	-	31
Provisions	(71)	(36)	-	(35)	174	191	-	(17)
Post employment benefits	(54)	-	-	(54)	(54)	-	-	(54)
Net interest	(65)	-	-	(65)	(82)	(9)	-	(73)
Net tax	(233)	23	-	(256)	(235)	(10)	-	(225)
Net other items	14	-	2	12	15	2	9	4
Free cash flow	762	(72)	-	834	709	(51)	-	760

Notes:

1. Based on continuing operations.

2. Operating profit includes share of profit of associates.

3. Gross capital expenditure including finance leases is £469m, 2.7% of revenue (2012: £394m, 2.3% of revenue).

4. Adjustments include European exceptional, net of tax, exceptional goodwill impairment and non-recurring tax issues.

5. Other includes amortisation of intangibles arising on acquisitions, acquisition transaction costs and adjustments to contingent consideration on acquisition.

Balance sheet - Overview

	2013 £m	2012 £m
Non-current assets	1,725	1,584
Working capital	(657)	(520)
Provisions	(531)	(603)
Interest payable	(62)	(63)
Post employment benefit obligations	(208)	(361)
Current tax payable	(130)	(116)
Deferred tax	227	256
Net assets before goodwill	364	177
Goodwill	3,620	4,037
Net assets	3,984	4,214
Shareholders equity	2,782	3,231
Non-controlling interests	9	10
Net debt	1,193	973
Total equity plus net debt	3,984	4,214

Balance sheet - ROCE

	2013 £m	2012 £m	2011 £m	2010 £m	2009 £m
NOPAT ¹	930	867	790	728	627
Average capital employed ²	4,878	4,774	4,307	3,999	3,752
ROCE	19.1%	18.2%	18.3%	18.2%	16.7%

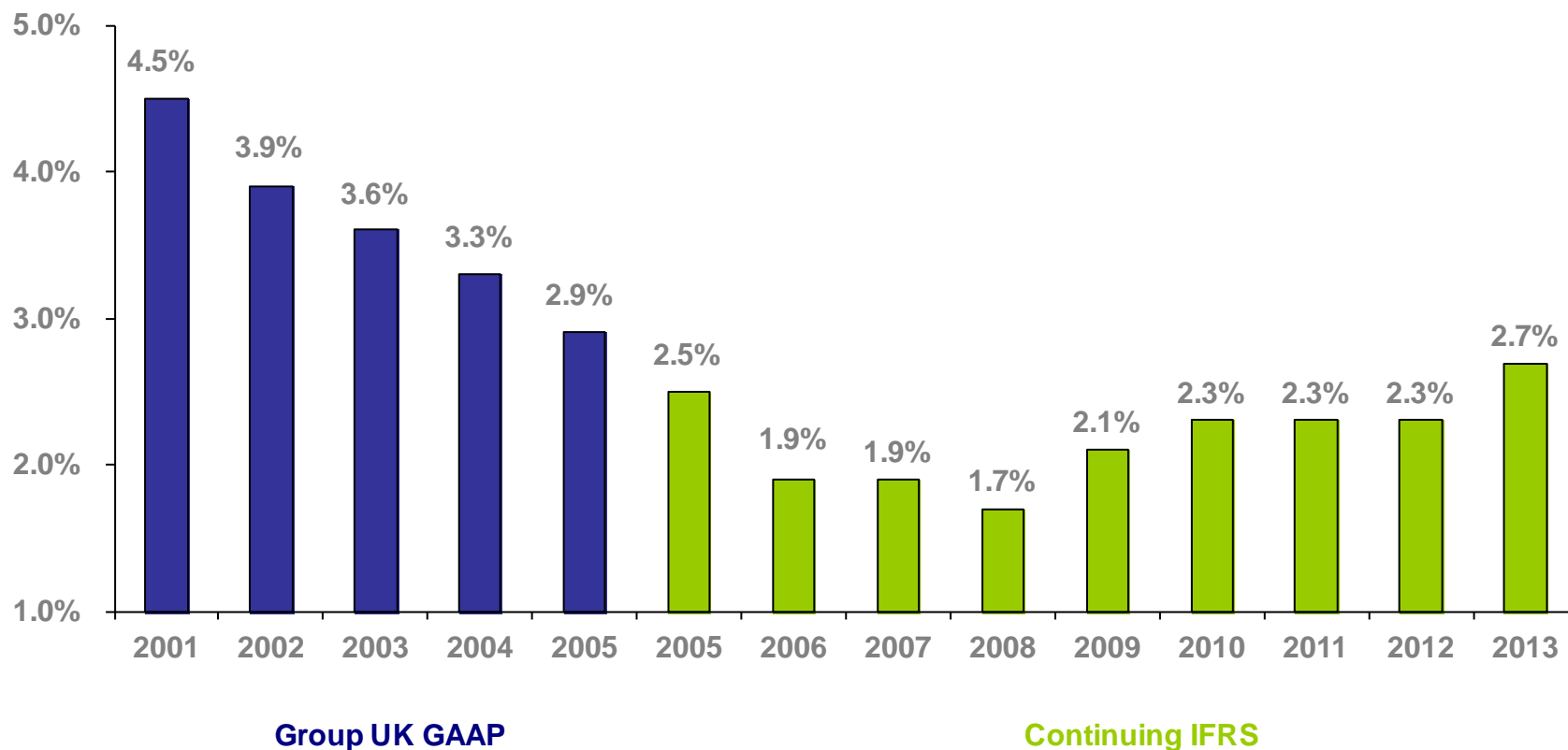
Notes:

1. Based on underlying operating profit, net of tax at the underlying tax rate of the year, less operating profit of non-controlling interests.

2. Average capital employed is based on the 12 month average balance sheet, adjusted for post employment benefits obligations, net of associated deferred tax, impaired goodwill, amortised intangibles arising on acquisition and the net assets of non-controlling interests.

Balance sheet – Capital expenditure % of revenue

% of Revenue



Notes:

1. For 2001 to 2005, total Group is shown on a UK GAAP basis.
2. For 2005 to 2013, the continuing business is shown on an IFRS basis.
3. All data is based on gross capital expenditure for both tangible and intangible assets, including assets acquired under finance leases.

Financing – Components of net debt

	£m
Bonds	756
Private placements	1,135
Bank loans	300
	2,191
Finance leases	21
Other loans and fair value accounting adjustments	33
Derivatives	(66)
Gross debt	2,179
Cash net of overdrafts	(986)
Closing net debt at 30 September 2013	1,193

Notes:

1. Based on nominal value of borrowings as at 30 September 2013, except the £250m 7% bond maturing in 2014 which is recorded at its fair value to the Group on acquisition, less amortisation.

Financing – Principal borrowings

	Coupon	Maturing in Calendar Year	£m
<u>Bonds</u>			
£250m ⁴	7.00%	2014	254
€600m	3.125%	2019	502
Total			756
<u>US private placements</u>			
\$15m (2003 Notes)	5.67%	2013	9
\$267m (2008 Notes)	6.45% - 6.72%	2013 - 2015	165
£35m (2008 Notes)	7.55%	2016	35
\$1000m (2011 Notes)	3.31% - 4.12%	2018 - 2023	617
\$500m (2013 Notes)	3.09% - 3.81%	2020 - 2025	309
Total			1,135
<u>Bank loans</u>			
£700m syndicated facility	Libor + 45bps	2017 ⁷	-
£300m (bilaterals)	Libor + 40 to 45bps	2016	300
Total			300

Notes:

1. Based on nominal value of borrowings as at 30 September 2013.

2. Interest rates shown are those at which the debt was issued.

3. The Group uses interest rate swaps to manage its effective interest rate.

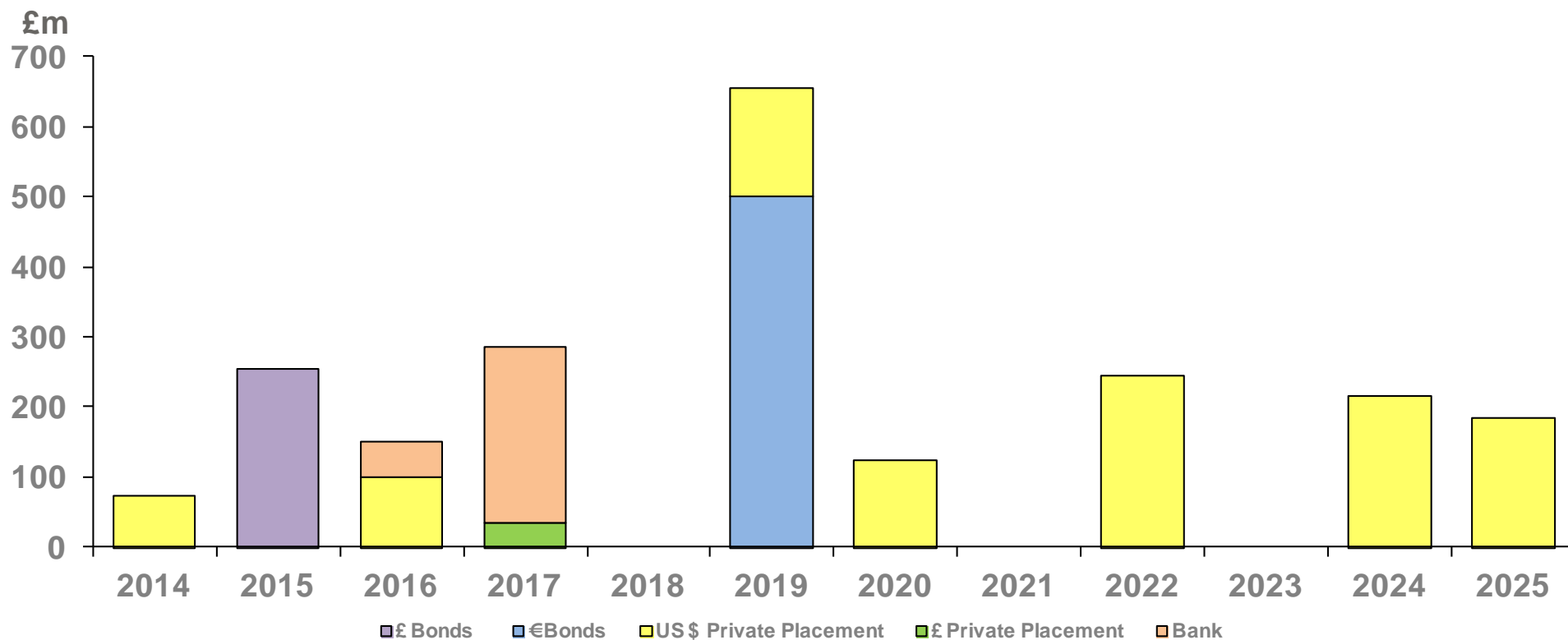
4. The £250m 7% bond maturing in 2014 is recorded at its fair value to the Group on acquisitions, less amortisation.

5. No other adjustments have been made for hedging instruments, fees or discounts.

6. All bonds, private placements and bank loans shown above are held by Compass Group PLC.

7. Subsequently extended to 2018.

Financing – Maturity profile of principal borrowings



Notes:

1. Based on borrowings and facilities in place as at 30 September 2013, maturing in the financial years ending 30 September.
2. The average life of the Group's principle borrowings as at 30 September 2013 was 5.5 years (2012: 6.1 years).

Financing - Debt ratios and credit ratings

Ratings

		<i>Outlook</i>	<i>Confirmed</i>
Standard & Poors	A	Stable	18-Feb-13
Moodys	Baa1	Positive	04-Jul-13
Fitch (unsolicited)	A-	Stable	27-Sep-13

Ratios

	2013	2012
Net debt ¹ / EBITDA ²	0.8x	0.7x
EBITDA ² / net interest ³	20.3x	17.5x
Net debt ¹ / adjusted total capitalisation ⁴	21%	17%

Notes:

1. Net debt is adjusted where necessary for covenant definitions.

2. EBITDA includes share of profit of associates and profit from discontinued business but excludes exceptional profit and is adjusted where necessary for covenant definitions.

3. Net interest excludes the element of finance charges resulting from hedge accounting ineffectiveness and the change in fair value of investments and non-controlling interest put options.

4. Adjusted total capitalisation includes shareholders funds, goodwill written off and net debt.

Exchange rates – Rates used in consolidation

	Income Statement ²		Balance Sheet ³	
	2013 per £	2012 per £	2013 per £	2012 per £
Australian Dollar	1.58	1.53	1.73	1.55
Brazilian Real	3.30	2.99	3.60	3.28
Canadian Dollar	1.59	1.59	1.66	1.59
Euro	1.19	1.21	1.20	1.26
Japanese Yen	143.83	124.35	158.90	125.63
Norwegian Krone	9.09	9.19	9.74	9.24
South African Rand	14.50	12.71	16.30	13.32
Swedish Krona	10.25	10.69	10.40	10.59
Swiss Franc	1.46	1.47	1.46	1.52
Turkish Lira	2.90	2.86	3.28	2.90
UAE Dirhams	5.75	5.81	5.95	5.93
US Dollar	1.57	1.58	1.62	1.61

Notes:

1. Rounded to two decimal places.
2. Income statement uses average monthly closing rates for the twelve months to 30 September.
3. Balance sheet uses the closing rates as at 30 September.

Exchange rates – Effect on 2013 revenue & profit

US Dollar			Euro			Japanese Yen		
£m incremental change for an incremental 5 cent movement			£m incremental change for an incremental 5 cent movement			£m incremental change for an incremental 10 yen movement		
Exchange Rate	Revenue Change	Profit Change	Exchange Rate	Revenue Change	Profit Change	Exchange Rate	Revenue Change	Profit Change
1.82	(181)	(15.0)	1.44	(81)	(5.6)	193.83	(29)	(1.9)
1.77	(191)	(15.8)	1.39	(87)	(6.1)	183.83	(32)	(2.1)
1.72	(203)	(16.8)	1.34	(94)	(6.6)	173.83	(36)	(2.4)
1.67	(215)	(17.8)	1.29	(101)	(7.1)	163.83	(40)	(2.7)
1.62	(229)	(19.0)	1.24	(110)	(7.7)	153.83	(46)	(3.1)
1.57	-	-	1.19	-	-	143.83	-	-
1.52	244	20.2	1.14	119	8.4	133.83	53	3.5
1.47	261	21.6	1.09	130	9.2	123.83	61	4.1
1.42	279	23.1	1.04	143	10.1	113.83	72	4.8
1.37	300	24.8	0.99	157	11.1	103.83	86	5.7

Notes:

1. Incremental revenue and operating profit change arising by restating the 2013 full year revenue and operating profit of the relevant currency for the incremental changes in exchange rates shown.

Exchange rates – Effect on 2013 revenue & profit

Australian Dollar			Brazilian Real			Turkish Lira		
£m incremental change for an incremental 5 cent movement			£m incremental change for an incremental 5 centavo movement			£m incremental change for an incremental 5 kuruş movement		
Exchange Rate	Revenue Change	Profit Change	Exchange Rate	Revenue Change	Profit Change	Exchange Rate	Revenue Change	Profit Change
1.83	(29)	(2.8)	3.55	(10)	(0.5)	3.15	(4)	(0.3)
1.78	(30)	(3.0)	3.50	(10)	(0.7)	3.10	(4)	(0.3)
1.73	(32)	(3.2)	3.45	(10)	(0.7)	3.05	(5)	(0.3)
1.68	(34)	(3.4)	3.40	(11)	(0.7)	3.00	(5)	(0.3)
1.63	(36)	(3.6)	3.35	(11)	(0.7)	2.95	(5)	(0.3)
1.58	-	-	3.30	-	-	2.90	-	-
1.53	38	3.8	3.25	11	0.7	2.85	5	0.3
1.48	41	4.1	3.20	12	0.8	2.80	5	0.3
1.43	44	4.4	3.15	12	0.8	2.75	5	0.3
1.38	47	4.7	3.10	12	0.8	2.70	6	0.3

Notes:

1. Incremental revenue and operating profit change arising by restating the 2013 full year revenue and operating profit of the relevant currency for the incremental changes in exchange rates shown.



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