2013 Half Year Results

Wednesday 15 May 2013

Presentation Structure

1.	Sir Roy Gardner	Welcome & Highlights
2.	Dominic Blakemore	Half Year Results
3.	Richard Cousins	Business Review, Strategy & Outlook
4.	Q&A	

Business Highlights

- Organic revenue growth of 4.1%
- Underlying operating profit of £650m
- Underlying operating profit margin up 15 bps to 7.3%
- EPS and interim dividend increased by 11%
- £400m buyback on track to complete by the year end

Delivering value to shareholders

2013 Half Year Results

Dominic Blakemore

Revenue

	2013 £m	2012 £m	Change: Reported Rates %	Constant Currency [2] %	Organic Growth [3] %	Adjusted Organic Growth [4] %
North America	4,059	3,799	6.8%	6.8%	8.2%	8.7%
Europe & Japan	3,080	3,228	(4.6)%	(2.4)%	(3.6)%	(2.6)%
Fast Growing & Emerging	1,665	1,523	9.3%	13.0%	10.5%	11.0%
Revenue	8,804	8,550	3.0%	4.4%	4.1%	4.8%

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.
4. Adjusted organic growth estimates the impact of the timing of Easter and adjusts for this.

Operating Profit – Reported Currency

	2013	2012	Change		Change Analysed By		
					Currency	Acquisition / Disposal	Organic
	£m	£m	£m	%	£m	£m	£m
North America	338	313	25	8.0%	-	(6)	31
Europe & Japan	212	214	(2)	(0.9)%	(4)	3	(1)
Fast Growing & Emerging	126	115	11	9.6%	(3)	3	11
Unallocated central overheads	(32)	(30)	(2)		-	-	(2)
Associates	6	5	1		-	-	1
Operating profit	650	617	33	5.3%	(7)	-	40

Notes:

1. Based on continuing operations, excluding amortisation of intangibles arising on acquisitions £14m (2012: £9m), acquisition transaction costs £2m (2012: £5m) and adjustment to contingent consideration on acquisition £1m credit (2012: £1m credit).

Impact of Currency on Operating Profit

	US $	Euro	Yen	Other	Total
Impact on 2012 HY operating profit of 2013 HY average exchange rates	-	£(2)m	£(2)m	£(3)m	£(7)m [1]
Estimated average exchange rate for 2013 FY [2]	1.56	1.20	146	-	-
Estimated impact on 2012 FY operating profit of estimated exchange rates	£9m	£3m	£(8)m	£(3)m	£1m

Notes:
1. Includes £(3)m impact from other currencies.
2. Assumes current exchange rates remain for the rest of the financial year.

Operating Profit and Margin – Constant Currency

	2013	2012 [2]	Change		Margin [3] 2013	Margin [3] 2012
	£m	£m	£m	%	%	%
North America	338	313	25	8.0%	8.3%	8.2%
Europe & Japan	212	210	2	1.0%	6.9%	6.6%
Fast Growing & Emerging	126	112	14	12.5%	7.6%	7.6%
Unallocated central overheads	(32)	(30)	(2)			
Associates	6	5	1			
Operating profit	650	610	40	6.6%	7.3%	7.2%

Notes:
1. Based on continuing operations, excluding amortisation of intangibles arising on acquisitions £14m (2012: £9m), acquisition transaction costs £2m (2012: £5m) and adjustment to contingent consideration on acquisition £1m credit (2012: £1m credit).
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	18	15
Base estate	29	21
Above unit overheads	(8)	(5)
Associates	1	-
Operating profit growth	40	31
Acquisitions/disposals	-	19
Total operating profit growth	40	50

Notes:

1. Based on continuing operations, excluding amortisation of intangibles arising on acquisitions £14m (2012: £9m), acquisition transaction costs £2m (2012: £5m) and adjustment to contingent consideration on acquisition £1m credit (2012: £1m credit).
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 (3%) like for like volume declines expected
  - Potential FY profit impact of £60m
- Immediate & intense labour cost reduction & flexibility plans launched
- £295m exceptional charge
- Significant savings expected

Delivered in H1 2013

- Like for like volume decline as expected (2.5%)
  - H1 profit impact of c.£25million
- Labour action plans ahead of schedule and good progress in Mediterranean
- Savings of £30m delivered in H1
- Mitigating tough economic backdrop

Income Statement

COMPASS GROUP

£m	2013 Reported	2013 Underlying [3]	2012 Reported	2012 Underlying [3]
Revenue	8,804	8,804	8,550	8,550
Operating profit [2]	615	650	604	617
Other gains	(1)	-	24	-
Net finance costs	(39)	(39)	(47)	(45)
Profit before tax	575	611	581	572
Tax	(148)	(158)	(152)	(146)
Profit after tax	427	453	429	426
Non-controlling interest	(3)	(3)	(2)	(2)
Attributable profit	424	450	427	424
Average number of shares (millions)	1,838	1,838	1,897	1,897
Basic earnings per share (pence)	23.1p	24.5p	22.5p	22.4p

Notes:

1. Based on continuing operations.
2. Including share of profit of associates.
3. The underlying column excludes European exceptional £(20)m (2012: nil), amortisation of intangibles arising on acquisitions £(14)m (2012: £(9)m), acquisition transaction costs £(2)m (2012: £(5)m), adjustment to contingent consideration on acquisition £1m (2012: £1m), loss on disposal of the US Corrections business £(1)m (2012: £24m), hedge accounting ineffectiveness nil (2012: £(2)m), the tax attributable to these amounts £11m (2012: £(6)m) and an adjustment to the exceptional recognition of tax losses £(1) (2012: nil).

Underlying Income Statement at Constant Currency

£m	2013	2012 [3]	Growth
Revenue	8,804	8,430	
Operating profit [2]	650	610	+6.6%
Net finance costs	(39)	(45)	
Profit before tax	611	565	
Tax	(158)	(144)	
Profit after tax	453	421	
Non-controlling interest	(3)	(2)	
Attributable profit	450	419	+7.4%
Average number of shares (millions)	1,838	1,897	
Basic earnings per share (pence)	24.5p	22.1p	+10.9%

Notes:

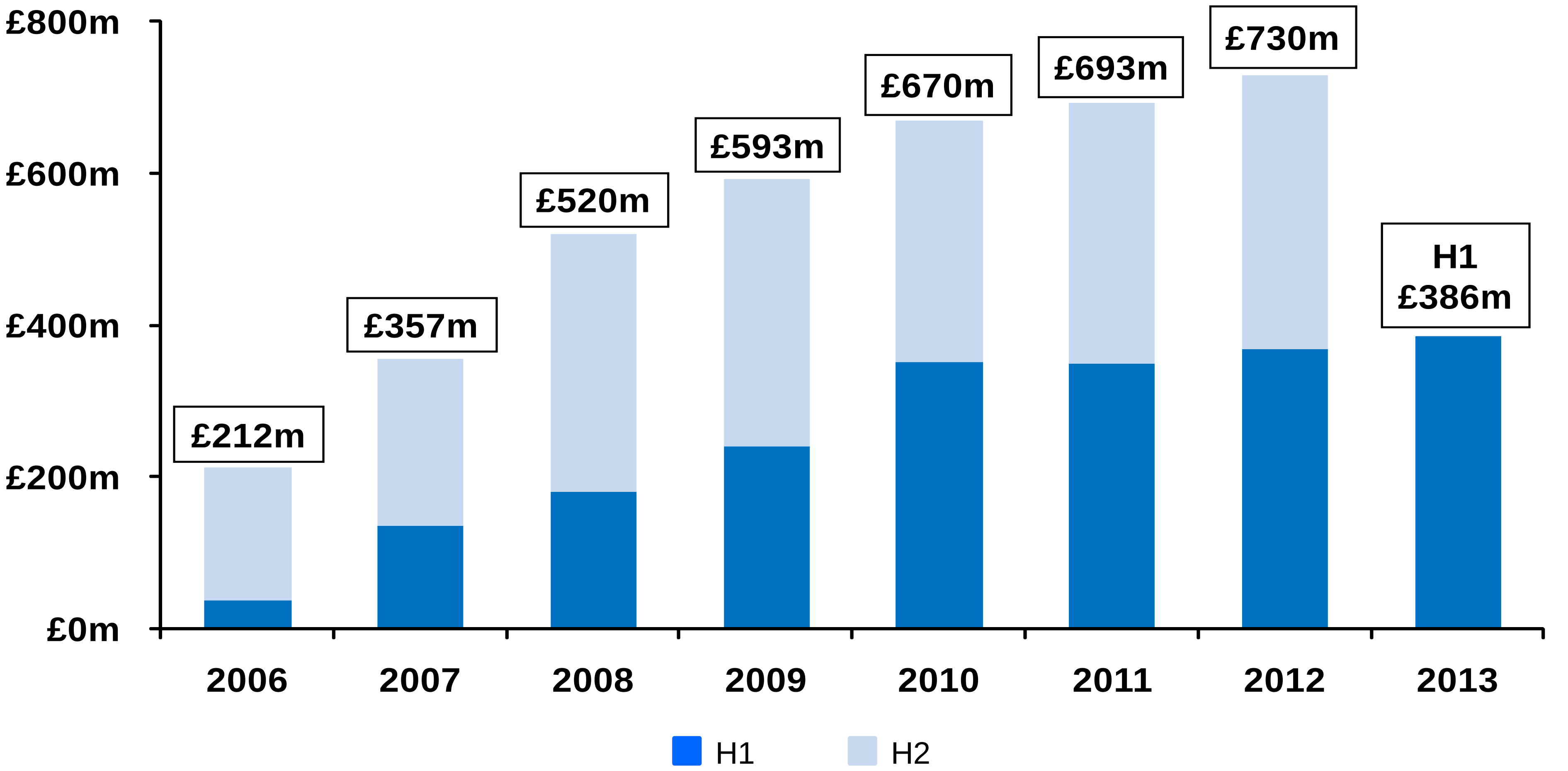
1. Excludes European exceptional £(20)m (2102: nil), amortisation of intangibles arising on acquisitions £(14)m (2012: £(9)m), acquisition transaction costs £(2)m (2012: £(5)m), adjustment to contingent consideration on acquisition £1m (2012: £1m), loss on disposal of the US Corrections business £(1)m (2012: £24m), hedge accounting ineffectiveness nil (2012: £(2)m), the tax attributable to these amounts £11m (2012: £(6)m) and an adjustment to the exceptional recognition of tax losses £(1)m (2012: nil).
2. Including share of profit of associates.
3. 2012 column restates 2012 to 2013 average exchange rates, using the 2012 underlying tax rate.

Underlying Free Cash Flow

£m	2013	2012
Operating profit [2]	650	617
Depreciation and amortisation	145	142
EBITDA	795	759
Net capital expenditure [3]	(217)	(178)
Trade working capital	(12)	(44)
Provisions	(10)	6
Post employment benefits	(26)	(28)
Net interest	(33)	(37)
Net tax	(120)	(113)
Net other items	9	3
Free cash flow	386	368

Notes:
1. Based on continuing operations and excluding the cash impact of the European exceptional £43m (2012: excludes the cash impact of non-recurring tax issues £31m).
2. Operating profit includes share of profit of associates
3. Gross capital expenditure including finance leases is £234m, 2.7% of revenue (2012: £187m, 2.2% of revenue).

Underlying Free Cash Flow Progression



Notes:
1. Based on continuing operations.
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.
3. 2012 reported free cash flow was £709m. The £730m represents the free cash flow, after adjusting for the impact of non-recurring tax issues, the cash cost of the European exceptional and the timing benefits of the receipt of a payment in advance in our DOR business.

Net Debt

COMPASS GROUP

	£m
Opening net debt at 1 October 2012	973
Underlying free cash flow from continuing operations	(386)
European exceptional cash flow [1]	43
Exceptional pension payment	72
Acquisitions [2]	63
Equity dividends	259
Purchase of own shares, net of proceeds from issues	231
Impact of foreign exchange rates	44
Other	11
Closing net debt at 31 March 2013	1,310

Notes:

1. European exceptional cash flow includes £52m of cash payments net of a £9m cash tax benefit.
2. Acquisitions includes £52m on infill acquisitions (including £12m on Nova in Canada and £37m on a number of acquisitions in the USA), £2m acquisition transaction costs and £9m deferred consideration and other payments relating to previous acquisitions.

Financial Summary

• Overall good financial performance	
• Organic revenue growth	4.1%
• Margin progression	15bps
• Underlying free cash flow generation	£386m
• Constant currency EPS growth	10.9%
• Increase in interim dividend to 8.0 pence per share	11.1%

Business Review, Strategy & Outlook

Richard Cousins

Agenda

1. Business performance and MAP
2. Regional reviews
3. Strategy
4. Summary and outlook

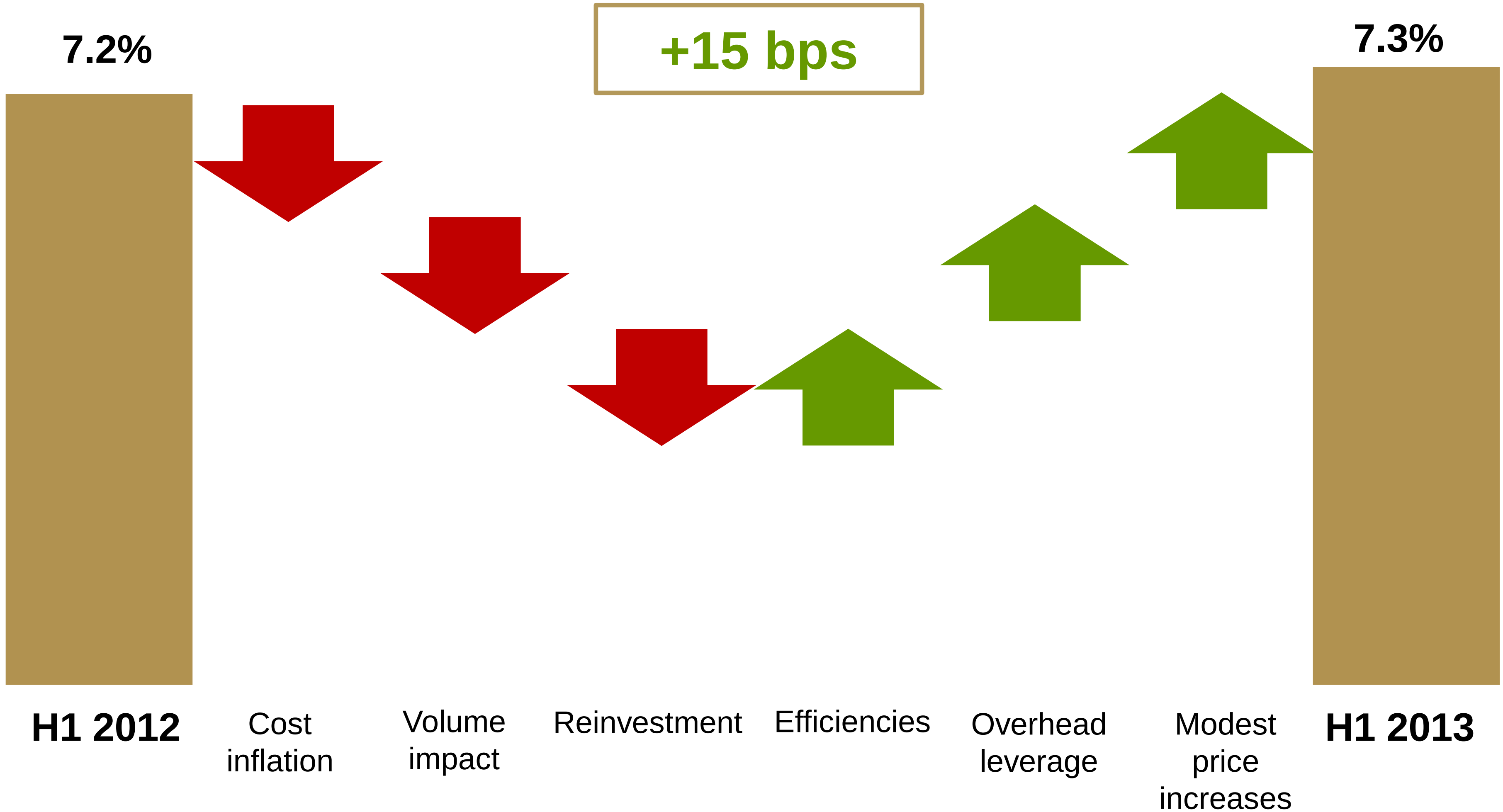
Organic Revenue Growth

	2011		2012		2013
%	H1	H2	H1	H2	H1
New business	9.0	8.5	8.5	9.5	8.8
Lost business	(6.0)	(5.5)	(5.5)	(5.9)	(6.0)
Net new business	3.0	3.0	3.0	3.6	2.8
LFL revenue	2.7	2.0	2.0	2.1	1.3
Organic growth	5.7	5.0	5.0	5.7	4.1

New Business & Retention

- Good rates of new business
- Growth across all sectors
- Ongoing roll out of Strategic Alliance Group
- Exciting pipeline

Margin Progression in H1 2013



Increased Focus on Efficiencies

- Recipe standardisation
- Logistics
- Management and scheduling
- Operational excellence
- Ongoing focus on MAP 5

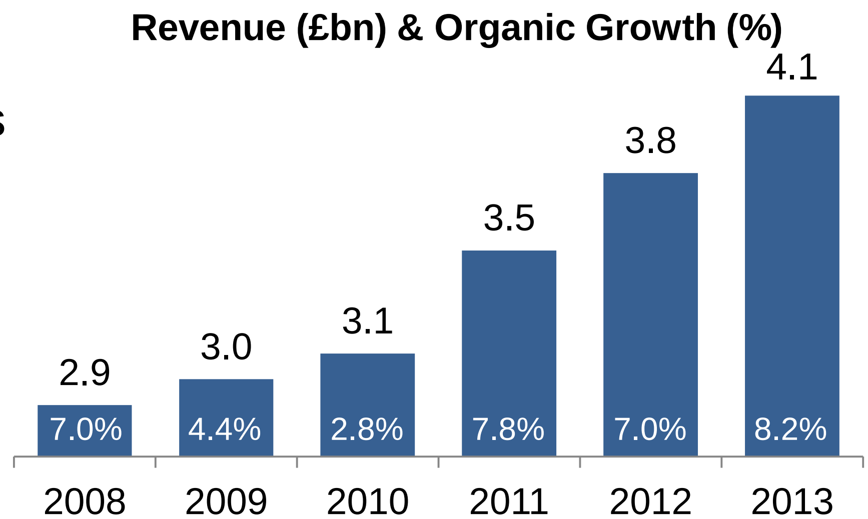
the source

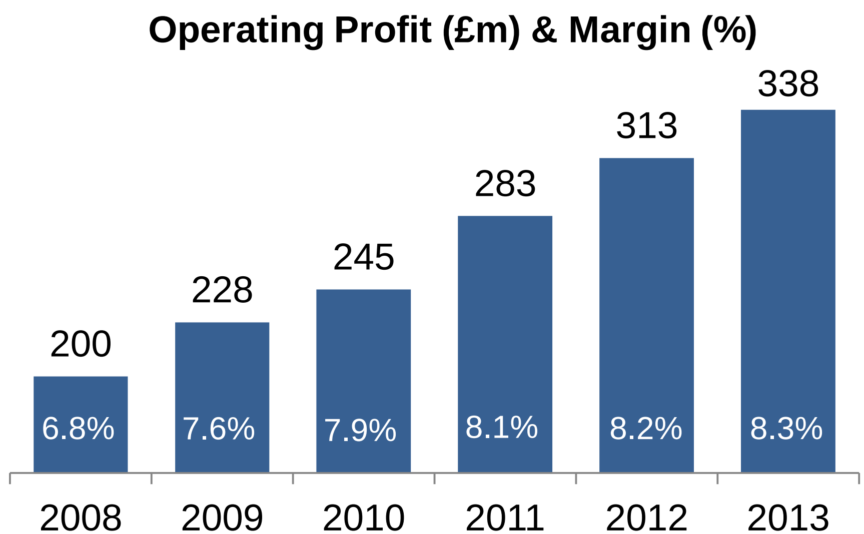
Trim Trax

Resource Network
right People, right Place, right Time

Review of North America

- Good organic revenue growth across all sectors
- High level of new business wins
- Ascension contract expanded
- Texas A&M delivering well
- Steady margin progression

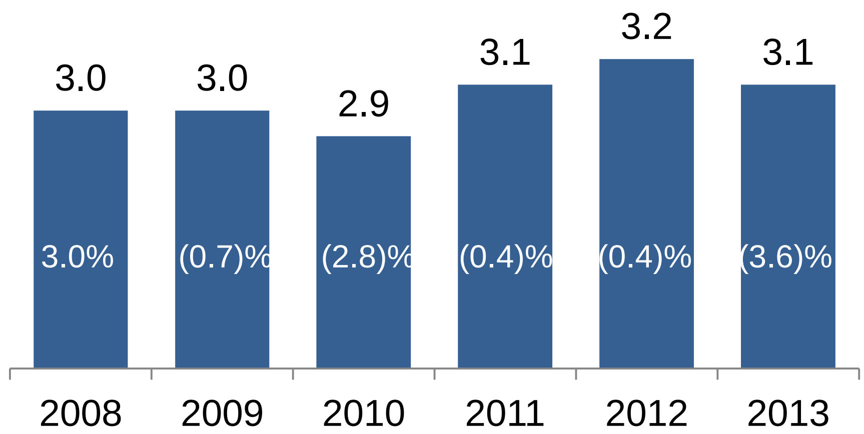




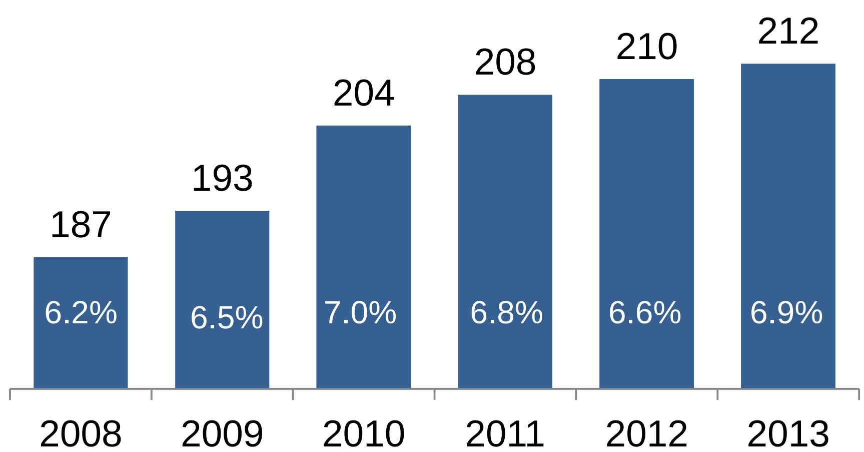
Review of Europe & Japan

- Difficult economic conditions
- Continuing negative like for like volume
- Solid progress on new business
- Cost reduction plans progressing well
- Good medium term opportunities

Revenue (£bn) & Organic Growth (%)



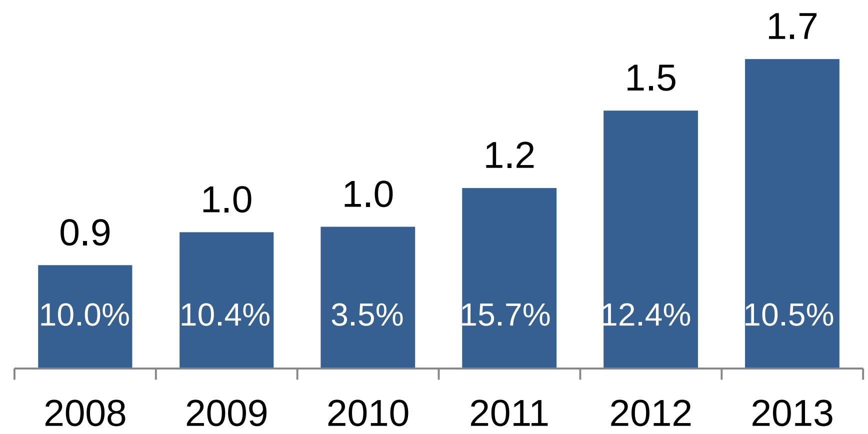
Operating Profit (£m) & Margin (%)



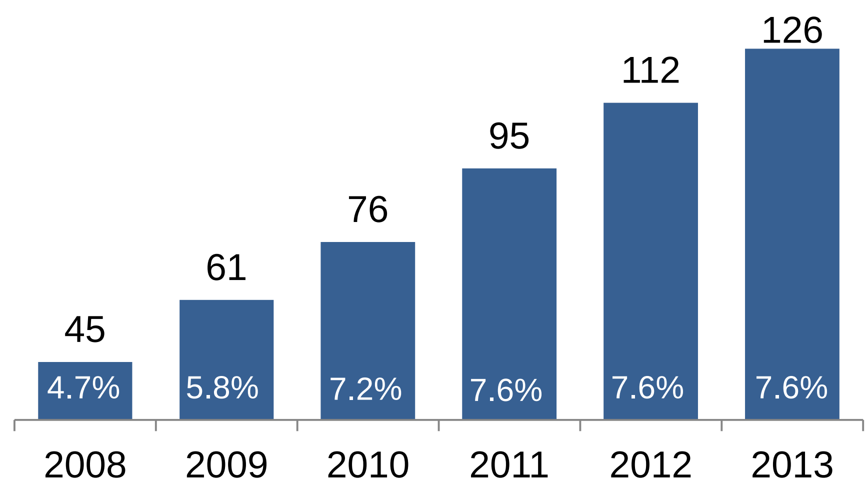
Review of Fast Growing & Emerging

- Double digit organic revenue growth
- Particularly strong growth in oil & gas
- Further efficiencies generated
- Investment in management teams and process
- Excellent top line growth and margin opportunities

Revenue (£bn) & Organic Growth (%)



Operating Profit (£m) & Margin (%)



Strategy

Food and support services

Geographic spread & emerging markets

Organic top line growth

Infill M&A

Efficiencies

- Food (MAP 3)
- Labour (MAP 4)
- Above unit (MAP 5)

Continued margin progression

Capex

Progressive dividend

Infill M&A

Returns to shareholders

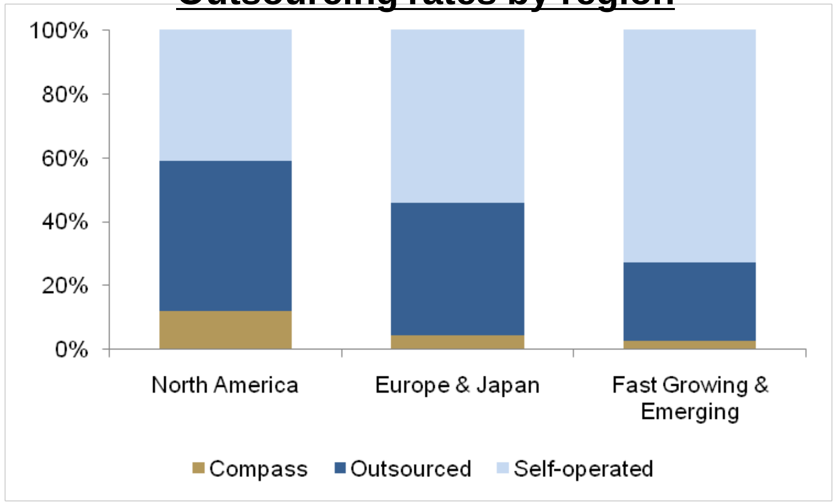
Strong cash flow

Shareholder value

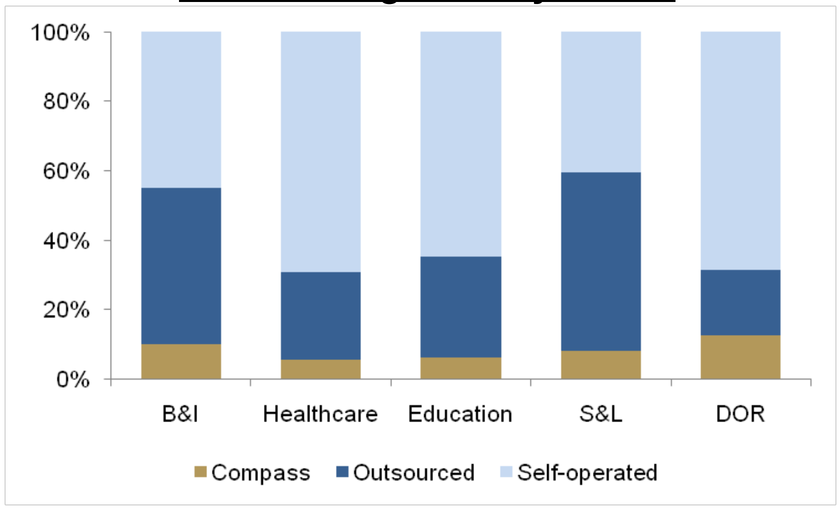
Food: Structural Market Growth Opportunity

- £200bn market opportunity
- Underpenetrated sectors
- Ranked 1 or 2 in most key markets
- Compelling proposition

Outsourcing rates by region



Outsourcing rates by sector



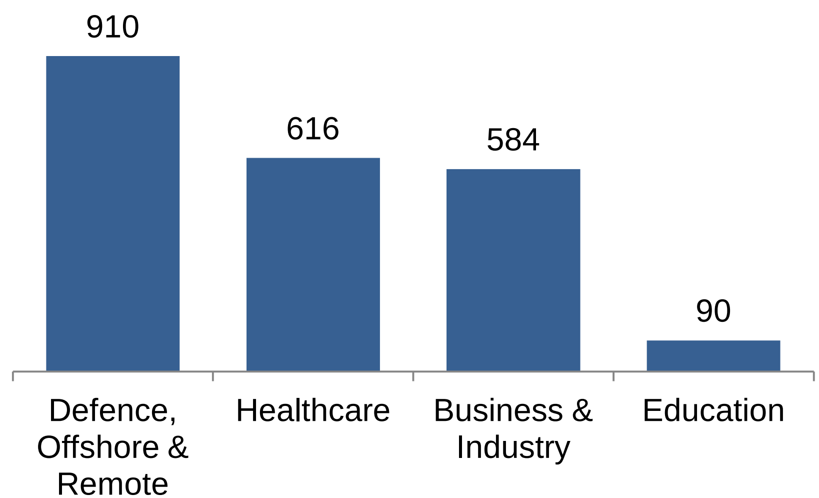
Source: Compass Group PLC estimates / market definitions

Support and Multi Services: Incremental Approach

- Now a significant part of the Group
- Incrementally building capacity
- Organic and inorganic growth
- Predominantly self-performed soft services
- A significant opportunity

H1 2013 Multi & Support Services Revenue: £2.2 billion

H1 2013 Revenue By Sector



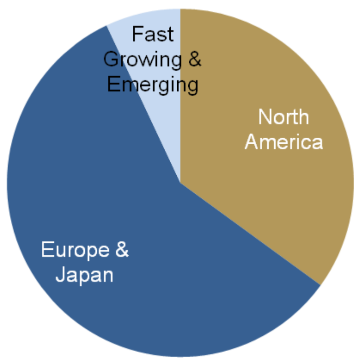
Support and Multi Services: Market Trends

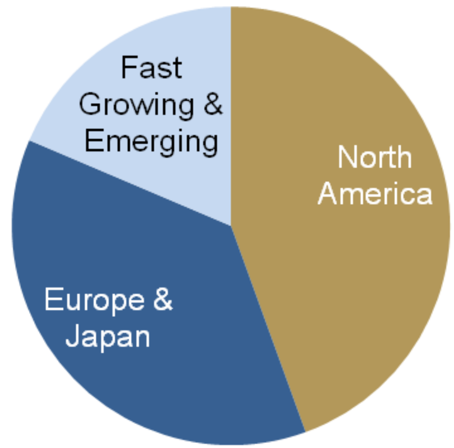
COMPASS GROUP

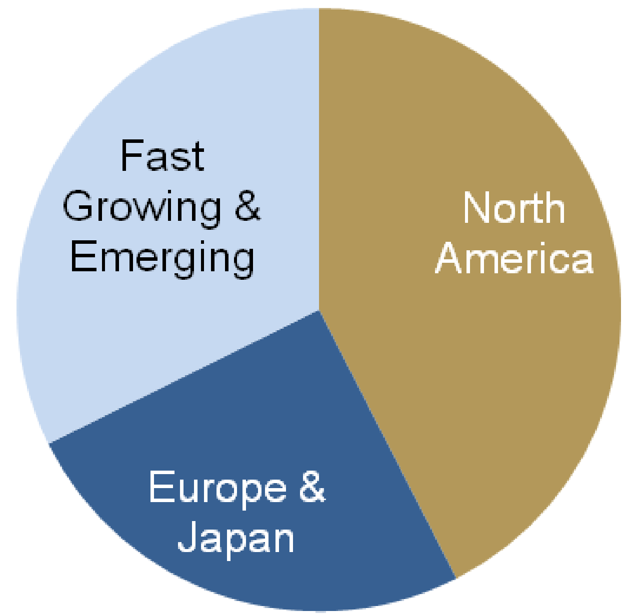
Sector	Market Trend
Business & Industry	• Bundling most pronounced in Northern Europe • Predominantly multi-nationals
Healthcare/Education	• Some early signs of bundling in the US: typically large hospitals and Higher Education • Established trend in UK Healthcare • Trends less pronounced elsewhere
Defence, Offshore & Remote	• Predominantly multi services • Global 'village' concept

Geographic Priorities

2002	2012	The Future?







Region	H1 2013 organic growth rate	Revenue opportunity	Margin opportunity
North America	8.2%	Ongoing	Steady expansion
Europe & Japan	(3.6)%	Modest	Further efficiencies
Fast Growing & Emerging	10.5%	High growth rates	Balance with investment

North America: Positive Outlook

Revenue

- Market leadership in food
- Healthy outsourcing culture
- ‘Greenfield’ sites being established
- £46 billion market opportunity: 70% self-operated or with small regional players
- Tightening budgets leads to outsourcing

Margin

- Ongoing opportunities
  - Increased efficiency in food purchasing
  - Flexible labour market
  - Overhead leverage
- Some headwinds to manage

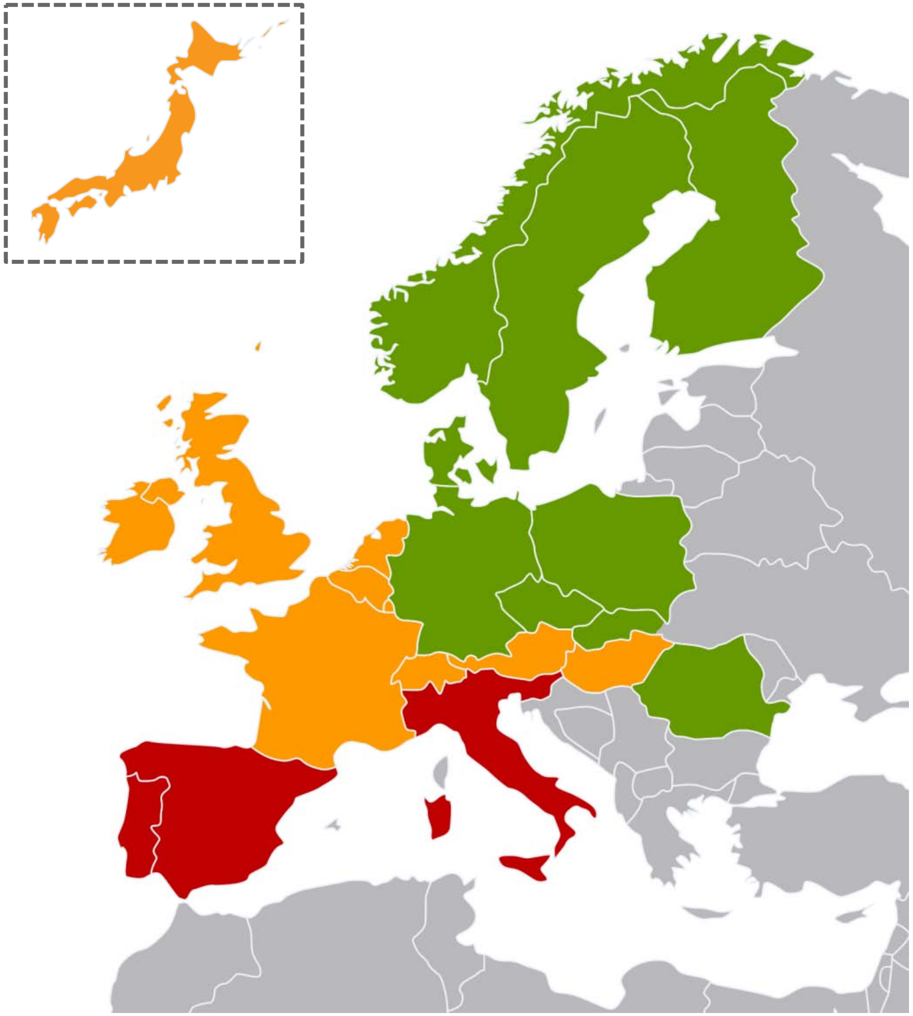
Opportunity for good revenue growth and steady margin expansion

North America: Success of Sectorised Approach

COMPASS GROUP

Sector	Compass brands	Example contracts
Business & Industry	BON APPÉTIT MANAGEMENT COMPANY; Restaurant Associates; Eurest; FLIK	ebay; The New York Times
Healthcare & Seniors	Crothall Services Group; MORRISON	Ascension Health; Mount Sinai Hospital
Education	Chartwells; BON APPÉTIT MANAGEMENT COMPANY	Texas A&M University; Duke University
Sports & Leisure	Levy Restaurants; Wolfgang Puck	US Open A USTA Event; 138 Kentucky Derby Churchill Downs • May 5, 2012
Defence, Offshore & Remote	ESS Support Services Worldwide	Chevron; ExxonMobil

Europe & Japan: Varied Picture



Northern and Eastern Europe

Good new business wins

Mixed LFL volume

Western Europe & Japan

Good new business in some countries

Pressure on LFL volume incl. France

Southern Europe

Strong new business in Spain

Strongly negative LFL volume

Europe & Japan: Strategy

Ongoing execution of action plans

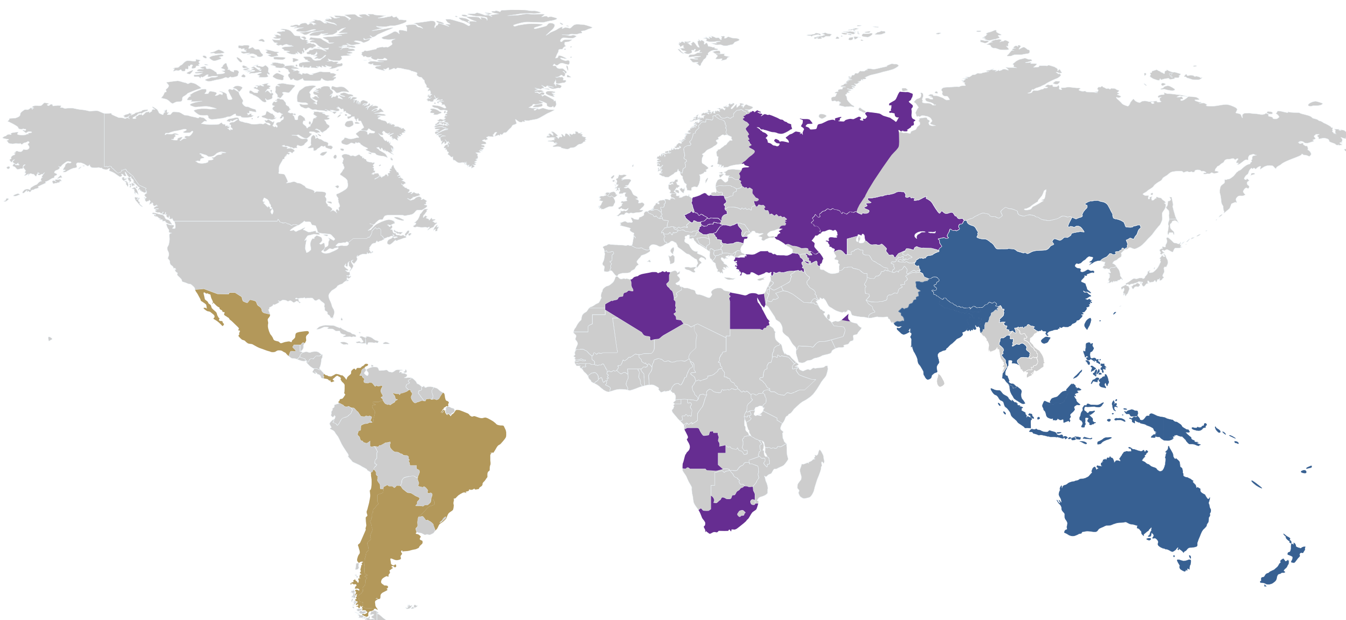
- Reduce fixed labour costs
- Increase flexibility
- Simplify processes
- Drive ‘lean’ practices

Sharpened focus on top line

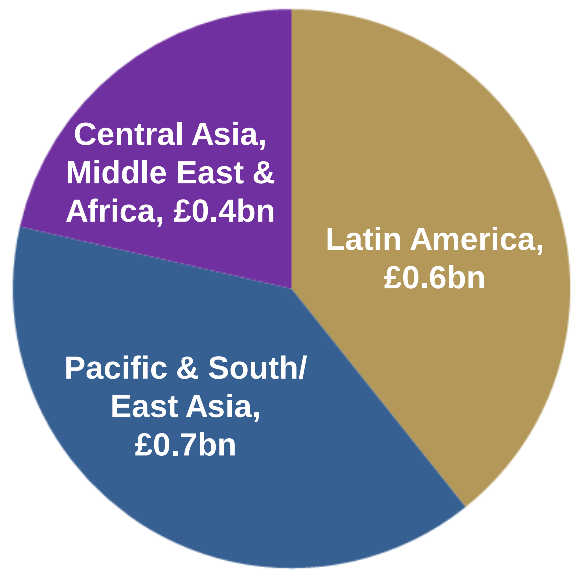
- Already performing well in parts
- Investment in sales teams & training
- Retention best practices being rolled out
- Improving underlying retention

Drive greater productivity and competitiveness to deliver better value

Fast Growing & Emerging: Sub Regions



H1 2013 Revenue By Sub-Region



FG&E: Investment in Organic Growth

	Approach	Investment
Developed / scaled		
- E.g. Australia / Brazil	Established presence; selective quality growth	Opportunistic investment in new business
Mid-sized		
- E.g. Turkey	Continue to build scale; target underpenetrated sectors	Sales teams & ongoing infrastructure expansion
Small / emerging		
- E.g. India / China	Build scale across sectors	Infrastructure: human resources, IT

Fast Growing & Emerging: Growth in India

	Two years ago	Now
Employees	1,200	9,900
Clients	35	180
Sites	36	270
Meals per day	4,000	100,000
Offices	4 cities	9 cities

Fast Growing & Emerging: Progression in Mexico

Past to present

- Loss maker
- Management strengthened
- Discipline improved
- Cost base reduced
- Now good margins

Future opportunities

- Enlarged sales team
- Exciting sales pipeline
- Investment in management school
- Opportunity to leverage overhead
- Exciting business

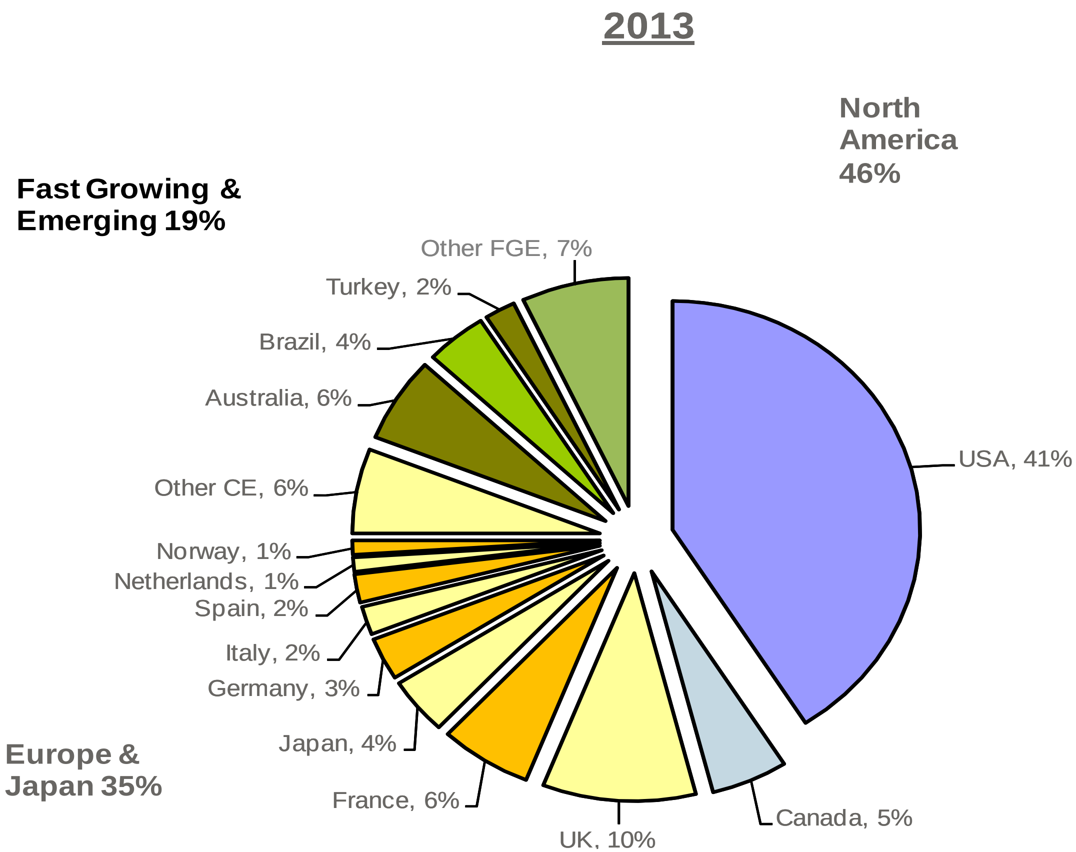
Summary and Outlook

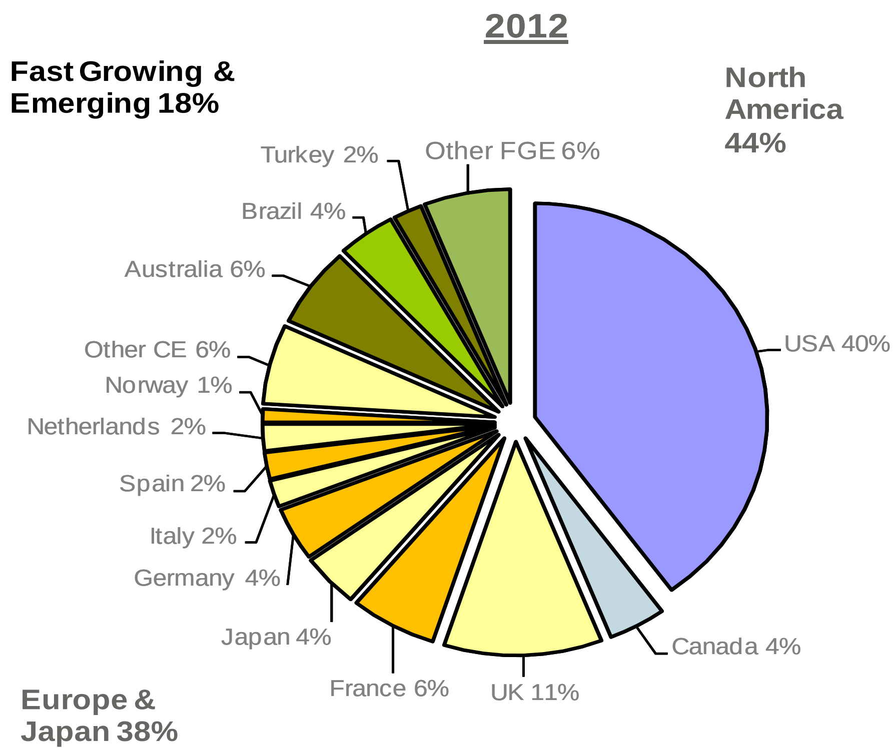
- Good performance on growth and margin in the first half
- First half trends expected to continue for the rest of the year:
  - Healthy pipeline in North America and Fast Growing & Emerging
  - LFL volume pressure in Europe & Japan likely to continue
- Overall expectations for the year remain unchanged
- Significant opportunities for continued revenue and margin growth
- Continued value creation for shareholders

Supplementary Information

Contents

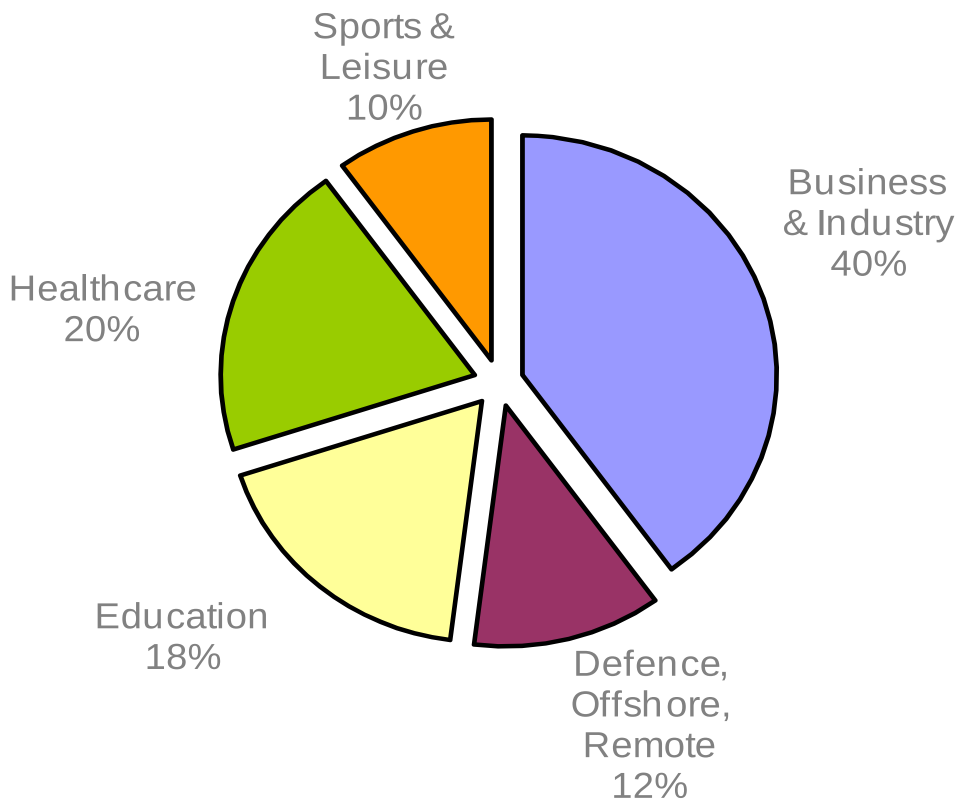
Revenue – Group Revenue by Geography

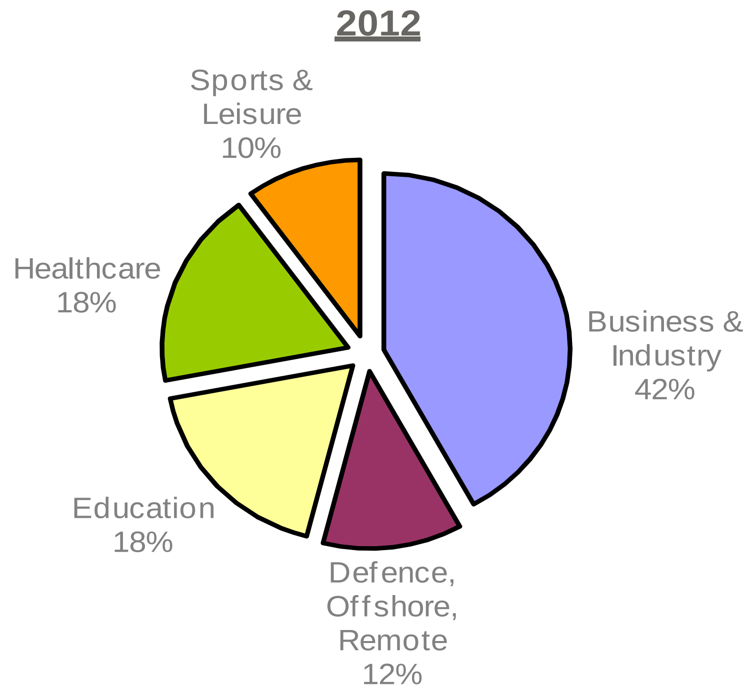




Notes:
1. Based on continuing operations.

Revenue by Sector - Group

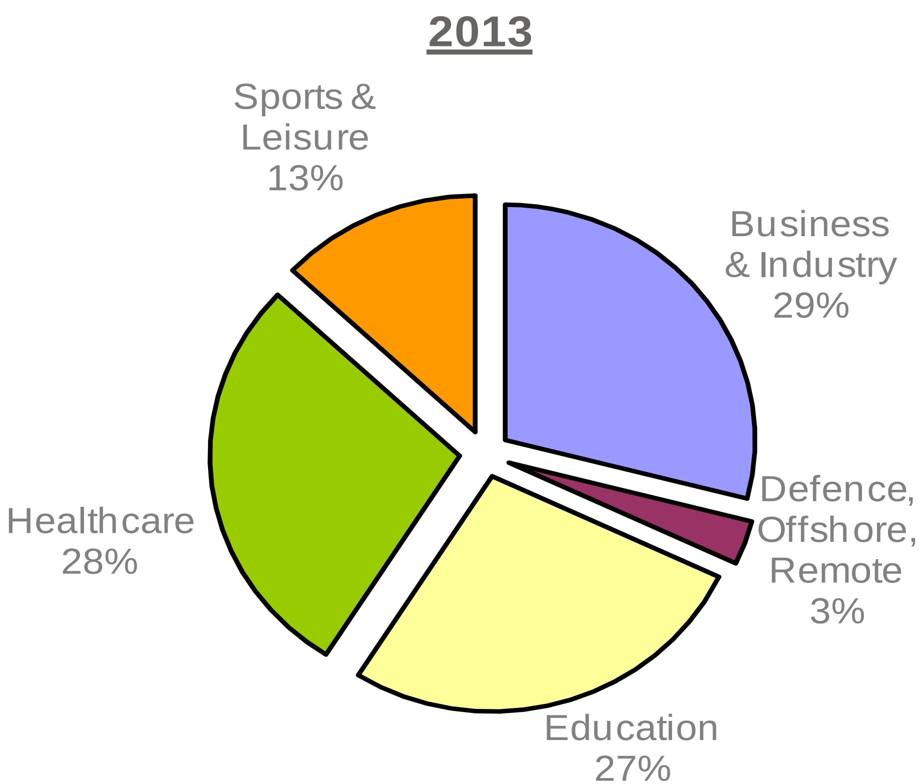


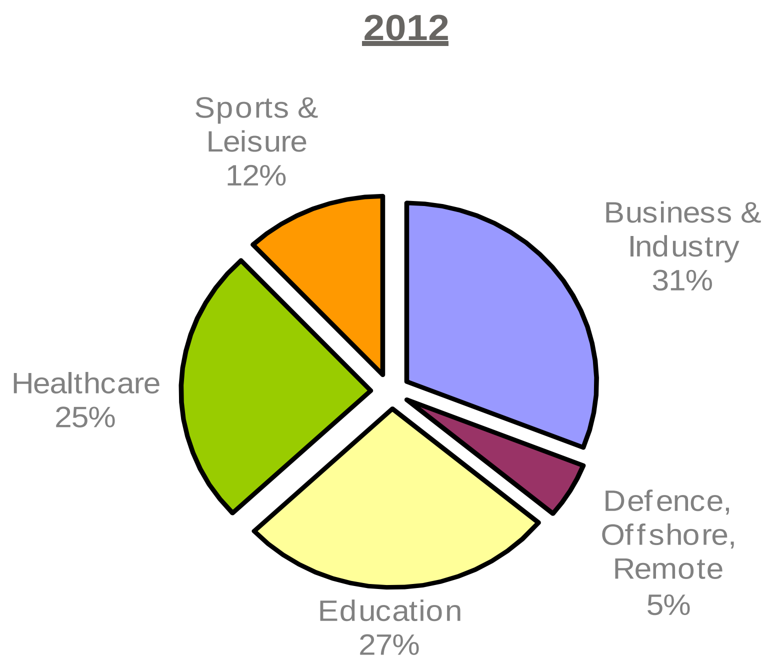


Notes:

1. Based on continuing operations.

Revenue by Sector – North America

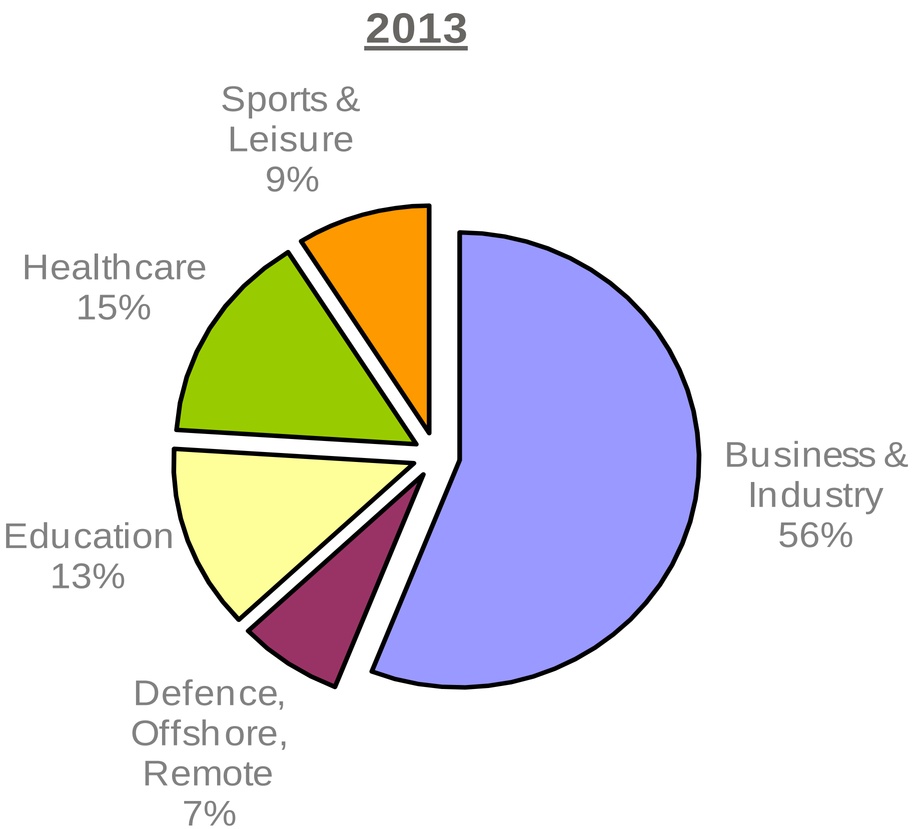


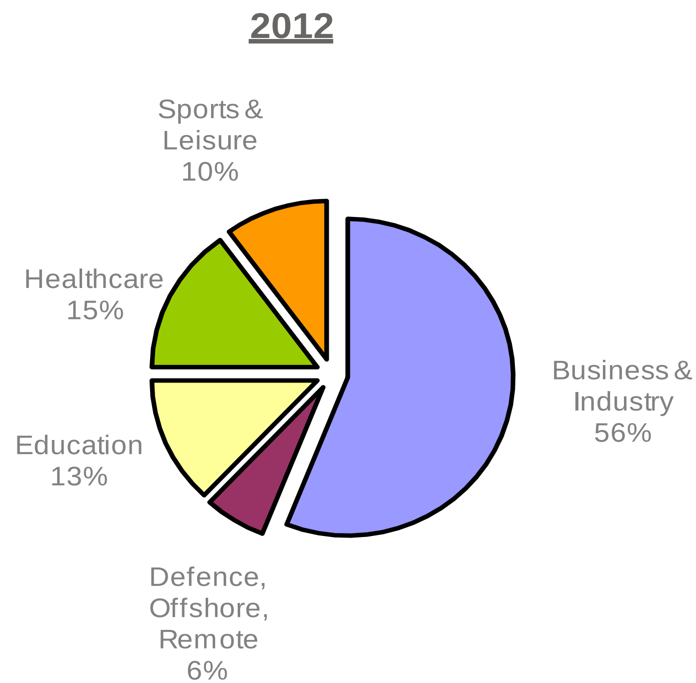


Notes:

1. Based on continuing operations.

Revenue by Sector – Europe & Japan





Notes:
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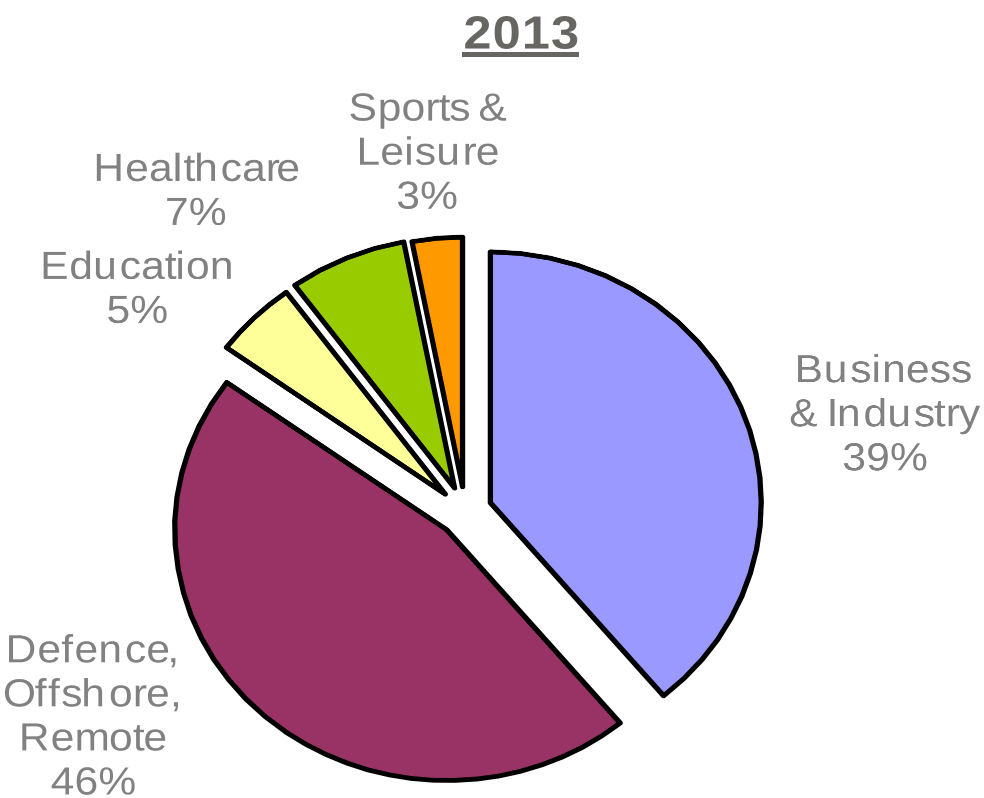
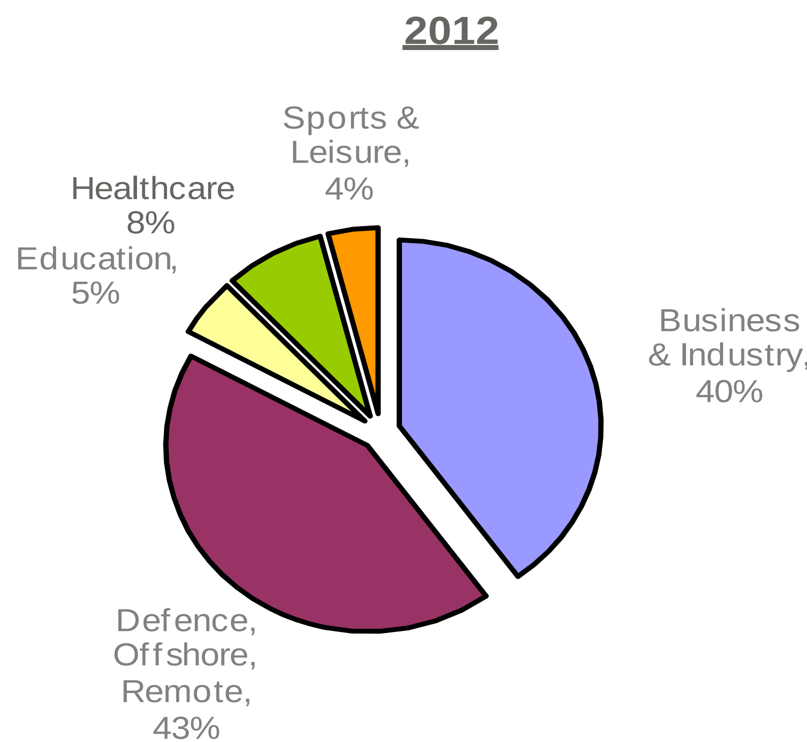
Revenue by Sector – Fast Growing & Emerging





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	4,059	3,080	1,665		8,804
Organic growth	*8.2%*	*(3.6)%*	*10.5%*		*4.1%*
Operating profit	338	212	126	(26)	650
Margin [3]	*8.3%*	*6.9%*	*7.6%*		*7.3%*
Cash flow [4]	339	174	62	(189)	386
Cash flow conversion	*100%*	*82%*	*49%*		*59%*
2012					
Revenue	3,799	3,228	1,523		8,550
Organic growth	*7.0%*	*(0.4)%*	*12.4%*		*5.0%*
Operating profit	313	214	115	(25)	617
Margin [3]	*8.2%*	*6.6%*	*7.6%*		*7.2%*
Cash flow [4]	273	162	94	(161)	368
Cash flow conversion	*87%*	*76%*	*82%*		*60%*

Notes:
1. Based on continuing operations, excluding amortisation of intangibles arising on acquisition £14m (2012: £9m), acquisition transaction costs £2m (2012: £5m) and adjustment to contingent consideration on acquisition £1m credit (2012: £1m credit).
2. Other operating profit includes unallocated overheads of £32m (2012: £30m) and share of profit of associates £6m (2012: £5m). 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 £43m (2012: excludes the non-recurring tax issues £31m)

Sector Financials – European Exceptional

£m	2012 FY	2013 HY	2013 FY	2014 FY
Like for like volume	(2.0)%	(2.5)%	(3.0)%	
Profit drop through (at 35%)	(40)	(25)	(60)	
Income statement savings:				
Accelerated cost efficiencies	-	18	50	75
Other charges	-	12	20	20
Total savings	-	30	70	95
Income statement charge:				
Accelerated cost efficiencies	100	20	50	-
Other charges	195	-	-	-
Total charge	295	20	50	-
Cash spent	20	52	100	30

Finance Cost – Net Finance Cost

	2013 £m	2012 £m
Bank loans and overdrafts	4	4
Other loans	29	35
Finance lease interest	1	1
	34	40
Bank interest income	(4)	(4)
	30	36
Amount charged to pension scheme liabilities net of expected return on scheme assets	7	8
Unwinding of discount on provisions and put options held by non-controlling shareholders	2	1
Underlying net finance cost	**39**	**45**
Other (gains)/losses		
Hedge accounting ineffectiveness [1]	-	2
Net finance cost	39	47

Notes:

1. In line with the Group's treasury policy, the Group uses interest rate swaps in order to fix part of the short term interest cost. As market interest rates move, the value of these swaps at a particular point in time rises and falls. Under IAS 39, not all of these can be designated as effective hedges and the change in their fair value has to be recognised in the Income Statement. The main impact is to change the timing of when interest costs are recognised, but the overall economic impact over the life of the interest rate swap remains unchanged.

EPS / Dividends – Earnings & Dividends Per Share

	2013	2012
Earnings per share		
Continuing and discontinued operations	23.1p	22.5p
Other adjustments [1]	1.4p	(0.1)p
Underlying earnings per share	**24.5p**	**22.4p**
Dividends per share		
Interim dividend	8.0p	7.2p
Final dividend		14.1p
Total dividend		**21.3p**

Notes:

1. Other adjustments include the impact of European exceptional, 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.

EPS / Dividends – Dividend Cover

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

Notes:

1. Underlying earnings excludes the impact of European exceptional, 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 .
2. 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 [4]	Reported	Adjs [4]	Other [5]	Underlying [4]
Operating profit [2]	615	(20)	(15)	650	604	-	(13)	617
Depreciation and amortisation	159	-	14	145	151	-	9	142
EBITDA	774	(20)	(1)	795	755	-	(4)	759
Net capital expenditure [3]	(217)	-	-	(217)	(178)	-	-	(178)
Trade working capital	(12)	-	-	(12)	(44)	-	-	(44)
Provisions	(42)	(32)	-	(10)	(6)	(12)	-	6
Post employment benefits	(26)	-	-	(26)	(28)	-	-	(28)
Net interest	(33)	-	-	(33)	(46)	(9)	-	(37)
Net tax	(111)	9	-	(120)	(123)	(10)	-	(113)
Net other items	10	-	1	9	7	-	4	3
Free cash flow	343	(43)	-	386	337	(31)	-	368

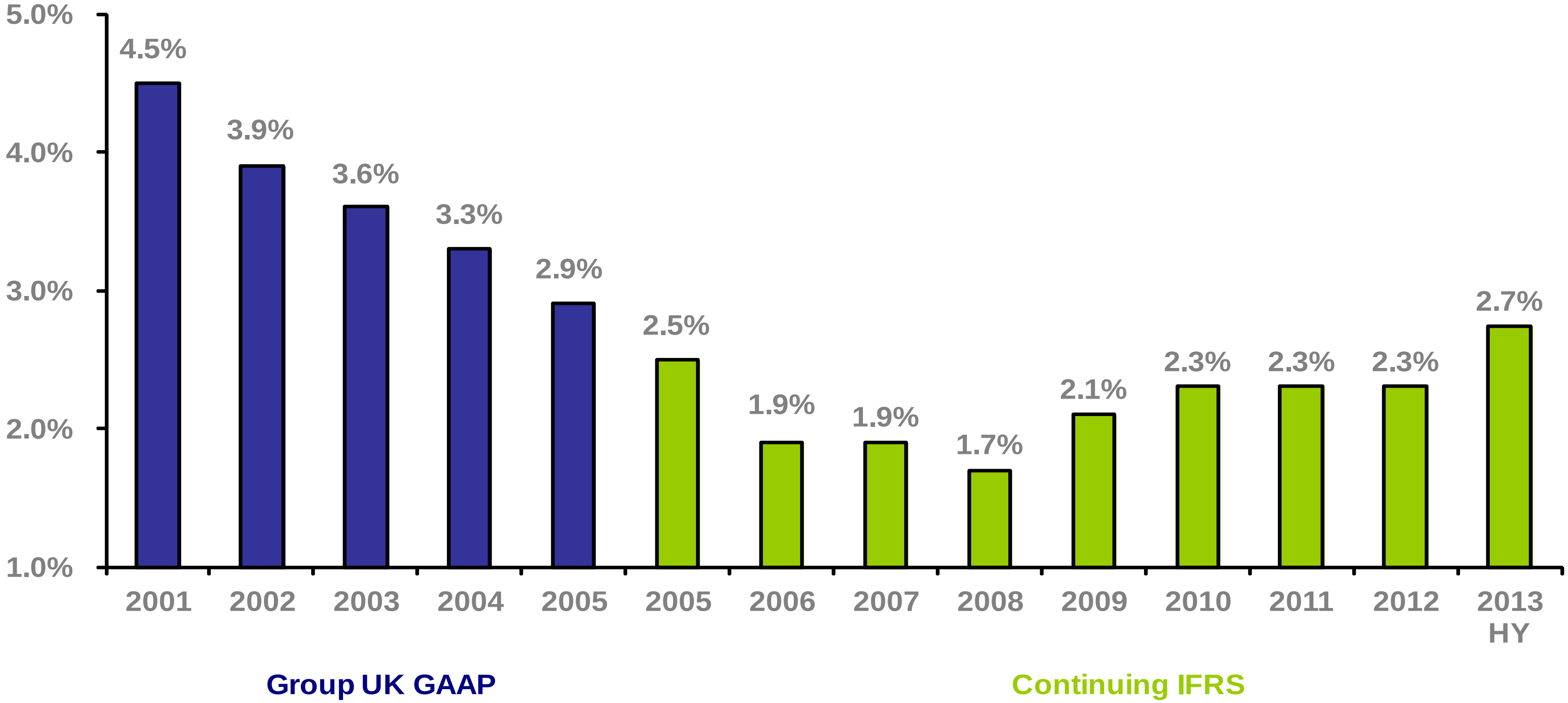
Notes:
1. Based on continuing operations.
2. Operating profit includes share of profit of associates.
3. Gross capital expenditure including finance leases is £234m, 2.7% of revenue (2012: £187m, 2.2% of revenue).
4. Adjustments includes European exceptional net of tax and non-recurring tax issues.
5. Other includes amortisation of intangibles arising on acquisitions, acquisition transaction costs and adjustment to contingent consideration on acquisition.

Balance Sheet - Overview

	2013 HY £m	2012 HY £m	2012 FY £m
Non-current assets	1,764	1,592	1,584
Working capital	(552)	(427)	(520)
Provisions	(579)	(427)	(603)
Interest payable	(50)	(67)	(63)
Post employment benefit obligations	(309)	(319)	(361)
Current tax payable	(146)	(197)	(116)
Deferred tax	264	206	256
Net assets before goodwill	392	361	177
Goodwill	4,169	4,077	4,037
Net assets	**4,561**	**4,438**	**4,214**
Shareholders equity	3,241	3,522	3,231
Non-controlling interests	10	9	10
Net debt	1,310	907	973
Total equity plus net debt	**4,561**	**4,438**	**4,214**

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	763
Private placements	879
Bank loans	300
	1,942
Finance leases	27
Other loans	65
Derivatives and Fair value accounting adjustments	(82)
Gross debt	**1,952**
Cash net of overdrafts	(642)
Closing net debt at 31 March 2013	**1,310**

Notes:

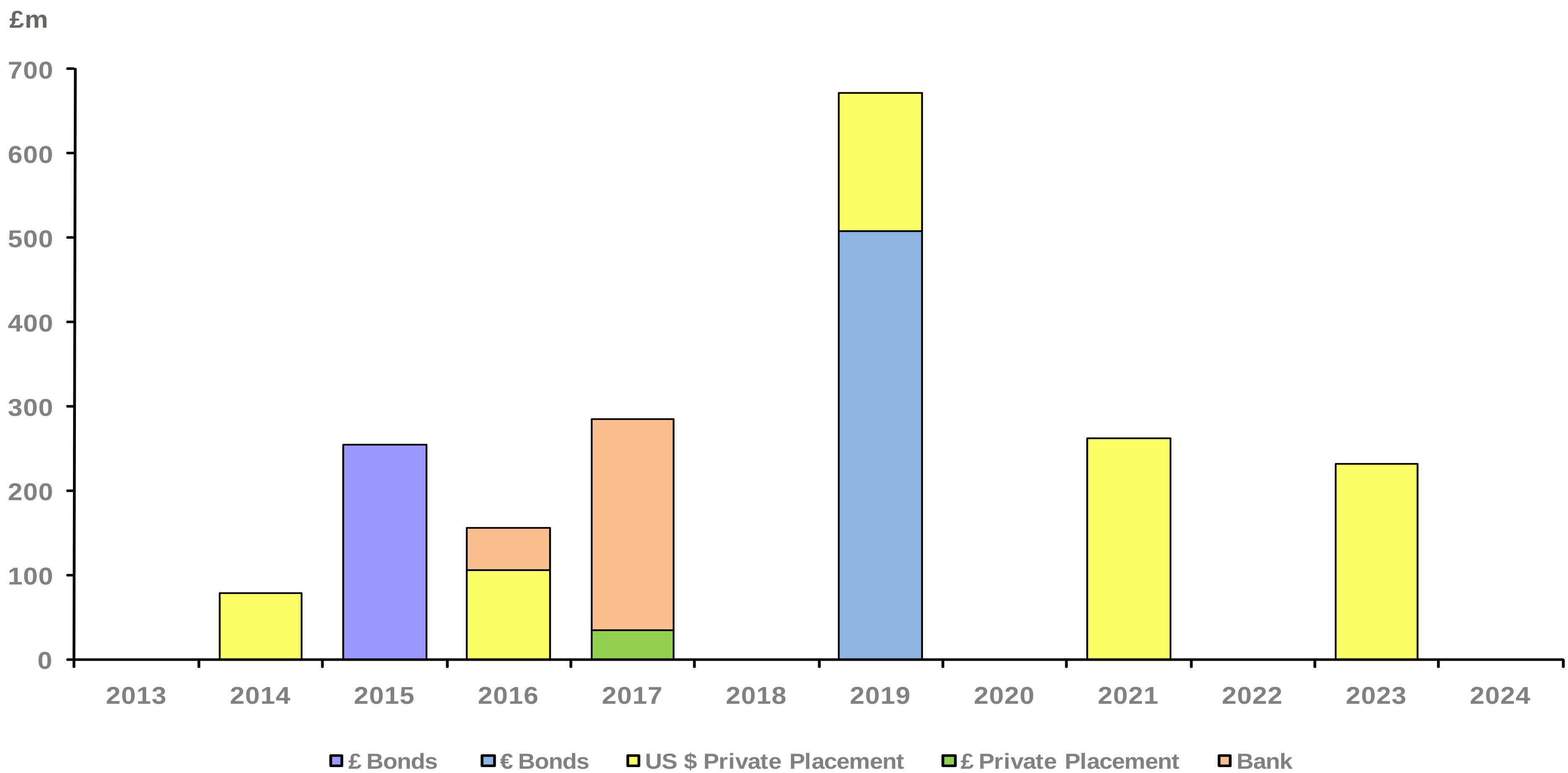
1. Based on nominal value of borrowings as at 31 March 2013, except the £250m 7% bond maturing in 2014 which is recorded at its fair value to the Group on acquisition, less amortisation.

Financing – Principal Borrowings

	Coupon	Maturing in Calendar Year	£m
Bonds			
£250m [4]	7.00%	2014	256
€600m	3.125%	2019	507
Total			**763**
US private placements			
$15m (2003 Notes)	5.67%	2013	10
$267m (2008 Notes)	6.45% - 6.72%	2013 - 2015	176
£35m (2008 Notes)	7.55%	2016	35
$1000m (2011 Notes)	3.31% - 4.12%	2018 - 2023	658
Total			**879**
Bank loans			
£700m syndicated facility	Libor + 45bps	2017 [7]	-
£300m (bilaterals)	Libor + 40 to 45bps	2016	300
Total			**300**

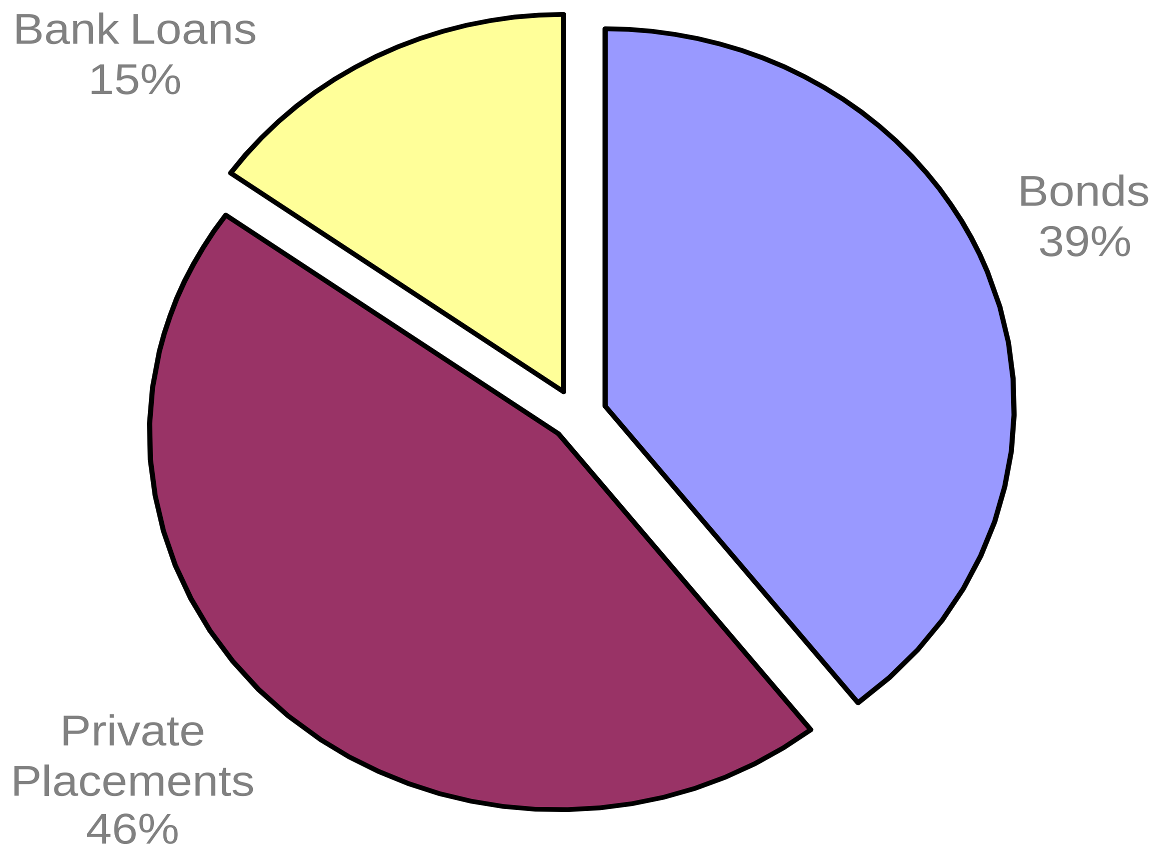
Notes:
1. Based on nominal value of borrowings as at 31 March 2013.
2. Interest rates shown are those at which the debt was issued.
3. The Group uses interest rate swaps to manage its effective interest rate.
4. The £250m 7% bond maturing in 2014 is recorded at its fair value to the Group on acquisition, 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 31 March 2013, maturing in the financial years ending 30 September.
2. The average life of the Group's principal borrowings as at 31 March 2013 was 5.4 years (2012: 5.5 years).

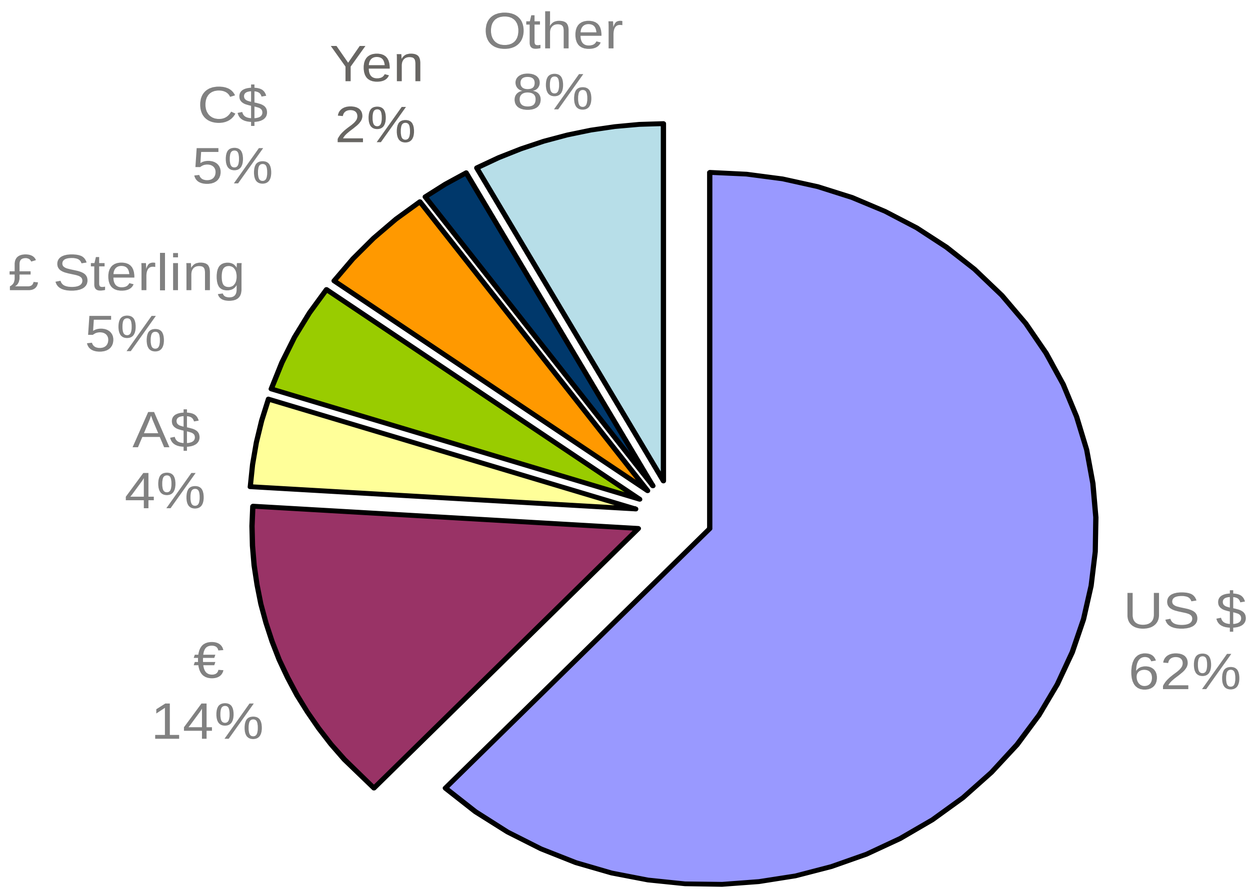
Financing – Sources of Committed Borrowings



Notes:

1. Based on borrowings as at 31 March 2013.

Financing – Effective Currency of Net Borrowings



Notes:

1. Based on net borrowings as at 31 March 2013
2. In line with the Group's treasury policy, the Group hedges its economic exposure to its non-sterling cash flows by matching the currencies of its centrally held net debt to the currencies of its principal projected net cash flows. However, debt in any one currency may not exceed the level of net assets in that currency. As currency cash flows are generated, they are used to service and repay debt in the same currency.
3. In line with the Group's treasury policy, the Group fixes the interest rate on its forecast borrowings in the proportion of 80%, 60% and 40% for each of the first, second and third years forward respectively.
4. Excludes derivative financial instruments and currencies in which there are no net borrowings.

Financing – Debt Ratios and Credit Ratings

Ratings

		Outlook	*Confirmed*
Standard & Poors	A	Stable	18-Feb-13
Moodys	Baa1	Stable	09-Oct-12
Fitch (unsolicited)	A-	Stable	26-Jul-12

Ratios	**2013**	**2012**
Net debt [1] / EBITDA [2]	0.9x	0.8x
EBITDA [2] / net interest [3]	19.1x	17.2x
Net debt [1] / adjusted total capitalisation [4]	21%	18%

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	1.52	1.53	1.46	1.54
Brazilian Real	3.21	2.83	3.06	2.91
Canadian Dollar	1.59	1.59	1.54	1.60
Euro	**1.21**	**1.18**	**1.18**	**1.20**
Japanese Yen	136.37	124.10	142.77	131.49
Norwegian Krone	8.97	9.09	8.86	9.11
South African Rand	13.87	12.43	13.93	12.26
Swedish Krona	10.32	10.61	9.87	10.60
Swiss Franc	1.47	1.43	1.44	1.44
UAE Dirhams	5.81	5.81	5.58	5.87
US Dollar	**1.58**	**1.58**	**1.52**	**1.60**

Notes:
1. Rounded to two decimal places.
2. Income statement uses average monthly closing rates for the twelve months to 31 March
3. Balance sheet uses the closing rates as at 31 March

Exchange Rates – Effect on 2012 Revenue & Profit

COMPASS GROUP

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
1.83	(165)	(13.5)	1.46	(81)	(5.3)	174.35	(35)	(2.2)
1.78	(175)	(14.3)	1.41	(87)	(5.8)	164.35	(39)	(2.5)
1.73	(185)	(15.1)	1.36	(93)	(6.2)	154.35	(45)	(2.8)
1.68	(196)	(16.1)	1.31	(101)	(6.7)	144.35	(51)	(3.2)
1.63	(209)	(17.1)	1.26	(109)	(7.2)	134.35	(60)	(3.8)
1.58	-	-	1.21	-	-	124.35	-	-
1.53	222	18.2	1.16	119	7.9	114.35	70	4.4
1.48	237	19.4	1.11	129	8.6	104.35	84	5.3
1.43	254	20.8	1.06	141	9.4	94.35	101	6.4
1.38	272	22.3	1.01	155	10.3	84.35	125	7.9

Notes:
1. Incremental revenue and operating profit change arising by restating the 2012 full year revenue and operating profit of the relevant currency for the incremental changes in exchange rates shown.

Exchange Rates – Effect of Current Rates on 2012 Profit

	US $	Euro	Yen	Other	Total
Average exchange rate for 2013 H1	1.58	1.21	136		
Impact on 2012 HY operating profit	-	£(2)m	£(2)m	£(3)m	£(7)m
Spot exchange rate for 13 May 2013	1.54	1.18	156		
Estimated average exchange rate for 2013 FY	1.56	1.18	146		
Estimated impact on 2012 operating profit of a 5 cent movement	+/- £18m	+/- £8m	+/- £2m		
Estimated impact on 2012 FY operating profit of current exchange rates	£9m	£3m	£(8)m	£(3)m	£1m

Disclaimer

Certain information included in the following presentations is forward-looking and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements. Forward-looking statements cover all matters which are not historical facts and include, without limitation, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of expected future revenues, financing plans, expected expenditures and divestments, risks associated with changes in economic conditions, the strength of the foodservice and support services markets in the jurisdictions in which the Group operates, fluctuations in food and other product costs and prices and changes in exchange and interest rates. Forward-looking statements can be identified by the use of forward-looking terminology, including terms such as "believes", "estimates", "anticipates", "expects", "forecasts", "intends", "plans", "projects", "goal", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements are not guarantees of future performance. All forward-looking statements in this presentation are based upon information known to the Company on the date of this presentation. Accordingly, no assurance can be given that any particular expectation will be met and readers are cautioned not to place undue reliance on forward-looking statements, which speak only at their respective dates. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure and Transparency Rules of the Financial Services Authority), the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Nothing in this presentation shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

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