



# 2017 Full Year Results

Tuesday 21 November 2017

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Certain information included in the following presentation 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 Conduct 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.

A high-angle photograph of a coffee cup on a wooden table. The cup is white with a brown rim and a handle, filled with a latte. The latte art is a white, stylized leaf or feather design. The cup sits on a matching white saucer with a brown rim. In the background, a wooden tray holds a small white cup of milk and some coffee beans. The text 'Richard Cousins' and 'Chief Executive' is overlaid in the top left corner.

# Richard Cousins

Chief Executive



# Today's agenda

1. Richard Cousins

Welcome & highlights

2. Johnny Thomson

Full year results

3. Richard Cousins

Growth strategy & outlook

4. Q&A

# Highlights

## ORGANIC REVENUE GROWTH

↑ 4.0%

## OPERATING PROFIT MARGIN

↑ 20bps

## FREE CASH FLOW

↑ 7.3%

## EPS (CONSTANT CURRENCY)

72.3p

↑ 5.7%

## FULL YEAR DIVIDEND

33.5p

↑ 5.7%

## RETURNS TO SHAREHOLDERS

£1.6bn

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

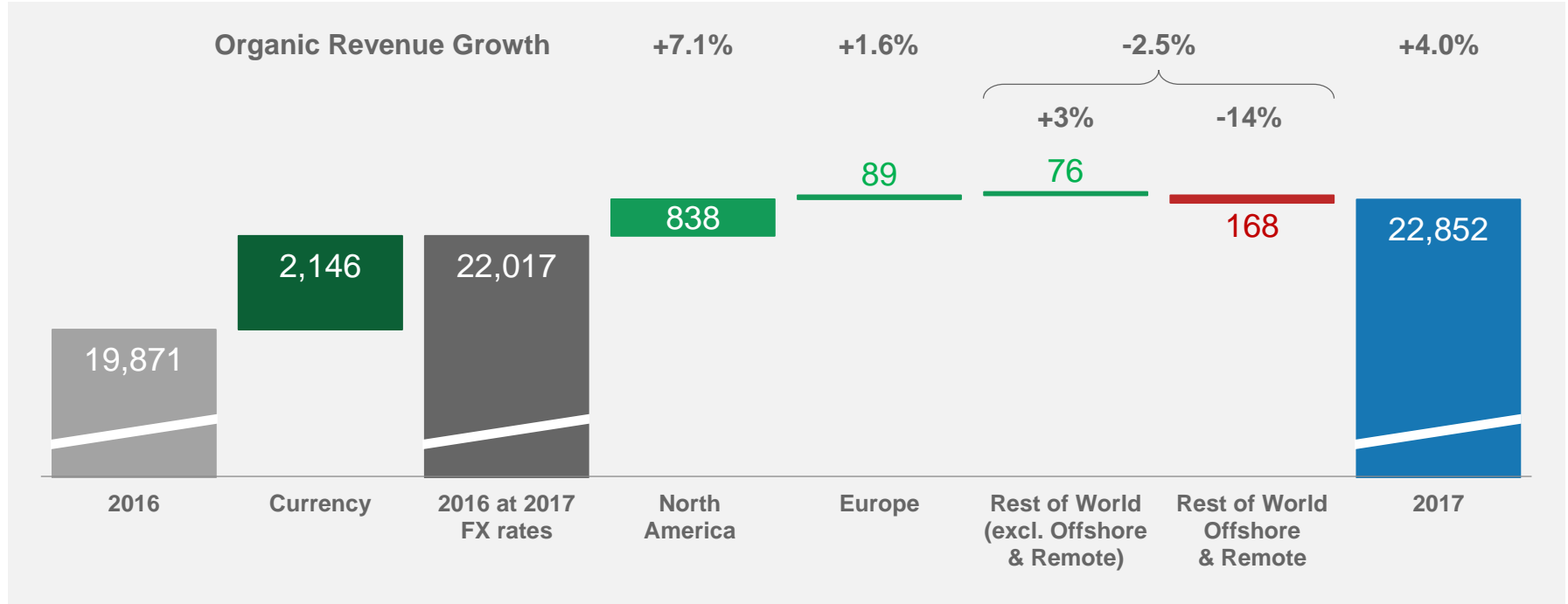
# Johnny Thomson

Group Finance Director



# Revenue

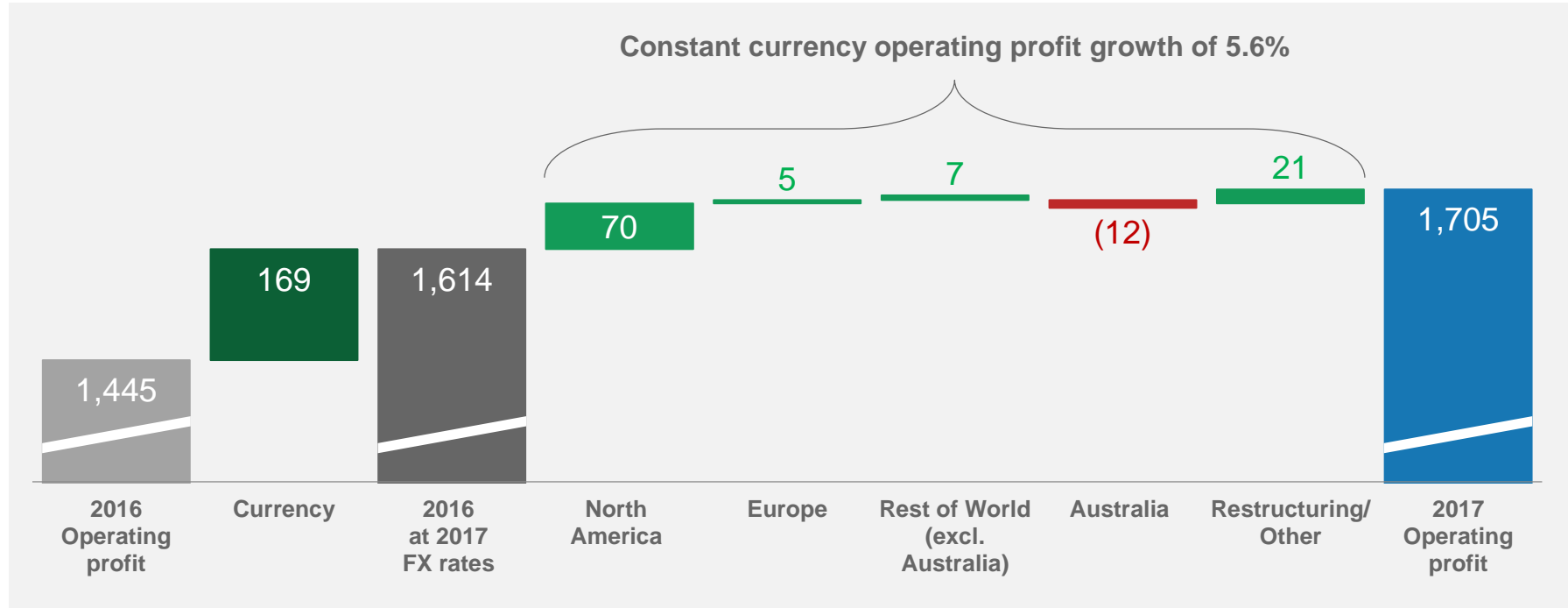
£m



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# Operating profit

£m



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.



# Operating profit margin by region

	2017	2016
North America	8.1%	8.1%
Europe	7.2%	7.2%
Rest of World	6.9%	6.8%
<b>Group</b>	<b>7.4%</b>	<b>7.2%</b>

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# Currency impact on operating profit

£m	Impact on 2016 Profit Actual FX	Impact on 2017 Profit Current Spot Rates
USD	98	(36)
EUR	24	5
CAD	7	-
AUD	12	(3)
BRL	9	(2)
JPY	6	(3)
Other	13	(2)
<b>Total currency impact</b>	<b>169</b>	<b>(41)</b>

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.  
Impact on FY 2017 profit assumes current spot rates for the full year.

# Income statement

£m	2017	2016	
Operating profit	1,705	1,445	
Net finance costs	(114)	(101)	← FY 2017 effective interest of 2.9% 2018 net finance cost expected to be around £120m
<b>Profit before tax</b>	<b>1,591</b>	<b>1,344</b>	
Tax	(404)	(330)	← FY 2017 tax rate 25.4% FY 2018 expected to be 26.5%
<b>Profit after tax</b>	<b>1,187</b>	<b>1,014</b>	
Non-controlling interest	(10)	(10)	
<b>Attributable profit</b>	<b>1,177</b>	<b>1,004</b>	
Average number of shares (millions)	1,628	1,643	
Basic earnings per share (pence)	72.3p	61.1p	← Constant currency EPS growth 5.7%
Dividend per share (pence)	33.5p	31.7p	← DPS growth of 5.7%

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# Operating cash flow

£m	2017	2016	
Operating profit	1,705	1,445	
Depreciation and amortisation	483	395	← Depreciation and amortisation up due to higher capex and FX
Net capital expenditure	(683)	(549)	← FY 2017 gross capex 3.1% of revenues FY 2018 capex expected to be just over 3% of revenues
<b>Net cash flow</b>	<b>1,505</b>	<b>1,291</b>	
Net cash flow conversion	88%	89%	
Trade working capital	(62)	12	← Working capital outflow as expected FY 2018 working capital expected to be inflow of c£40m
Provisions	(24)	(10)	
<b>Operating cash flow</b>	<b>1,419</b>	<b>1,293</b>	
Operating cash flow conversion	83%	89%	

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# Free cash flow

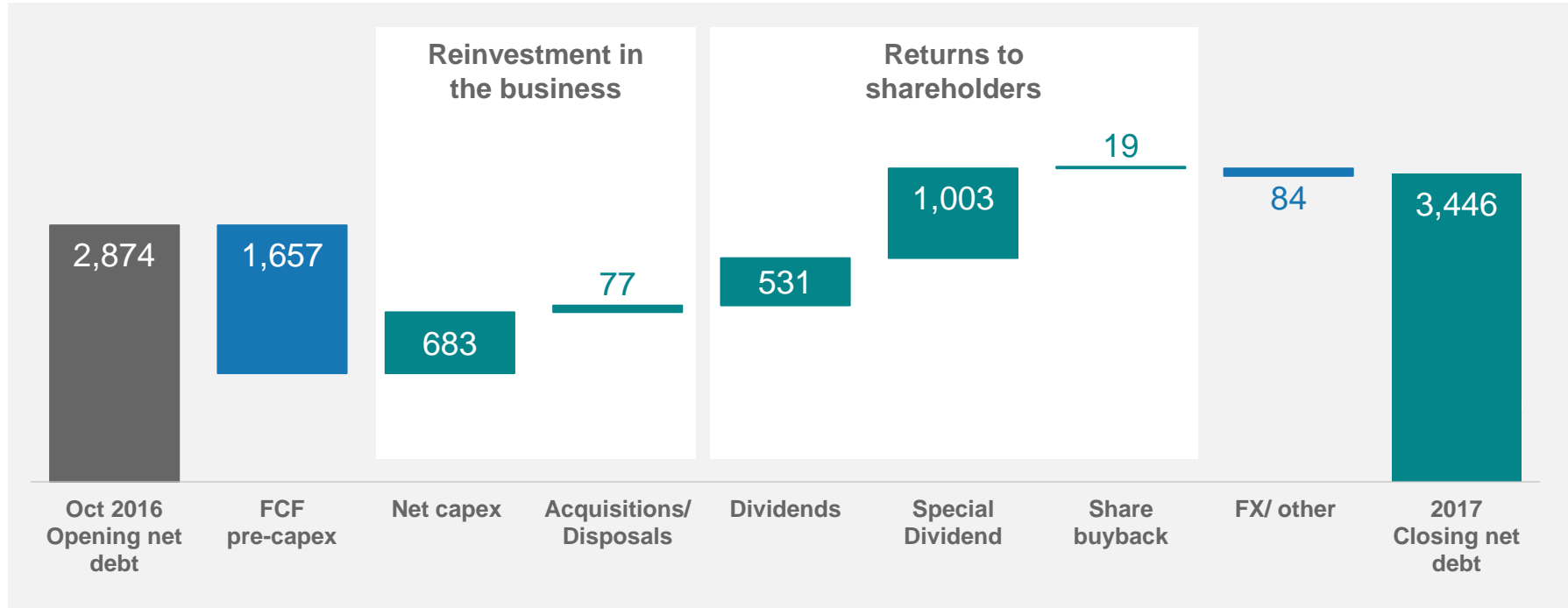
£m	2017	2016	
Operating cash flow	1,419	1,293	FY 2017 £14m as expected
Post-employment benefits	(14)	(39)	← FY 2018 expected to be around £20m
Net interest	(97)	(94)	
Net tax	(332)	(246)	← FY 2017 20.9%
Net other items	(2)	(6)	FY 2018 expected to be 20-23%
<b>Free cash flow</b>	<b>974</b>	<b>908</b>	
Free cash flow conversion	57%	63%	

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.



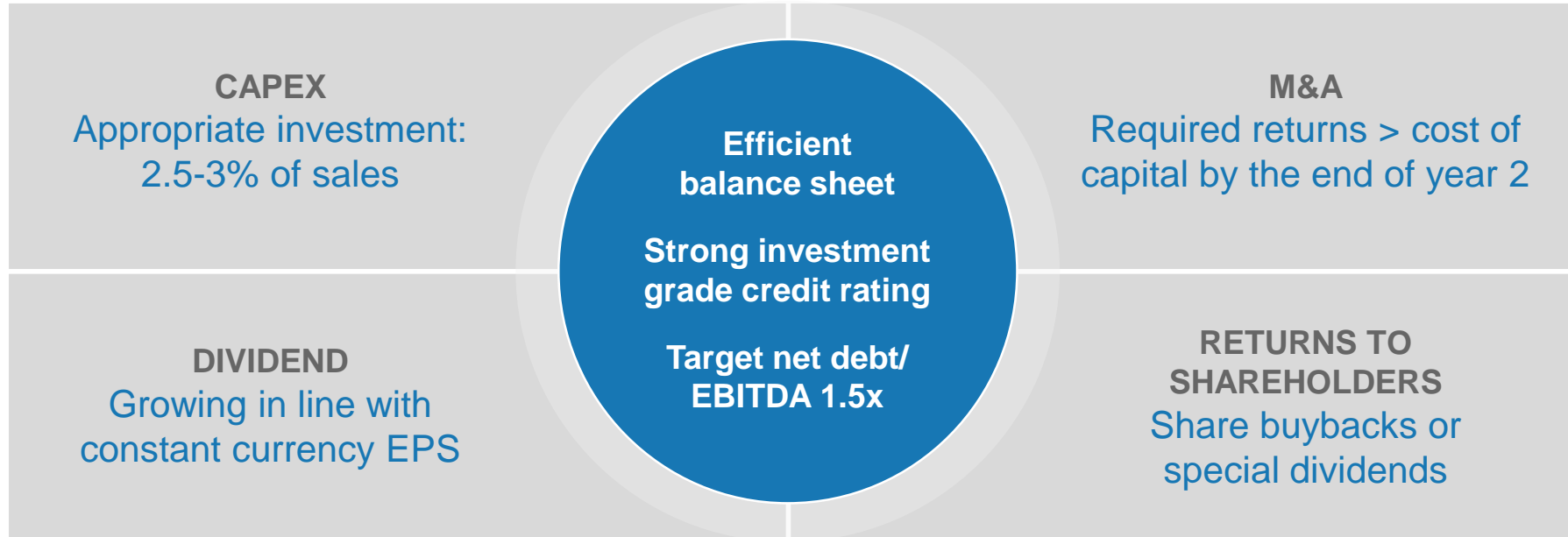
# Net debt

£m



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# Ongoing priorities for uses of cash



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# 2018 guidance for modelling purposes

Interest charge	<b>c. £120m</b>
P&L tax rate	<b>c. 26.5%</b>
Cash tax rate	<b>20%-23%</b>
Gross capex	<b>Just over 3% of revenue</b>
Working capital	<b>£40m inflow</b>
Post employment cash contribution	<b>c. £20m</b>
Foreign exchange impact on 2017 EBIT (at current spot rates)	<b>£(41)m</b>

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# 2018 phasing

- Positive outlook for the year
- Growth & margins weighted to H2
- Capex weighted to H1

# Financial summary

Organic revenue growth	<b>+4.0%</b>
Operating profit margin	<b>+20bps</b>
EPS (constant currency) 72.3p	<b>+5.7%</b>
Free cash flow	<b>+7.3%</b>
Full year dividend 33.5p	<b>+5.7%</b>
Share buyback	<b>£19m</b>
Special dividend	<b>£1bn</b>

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

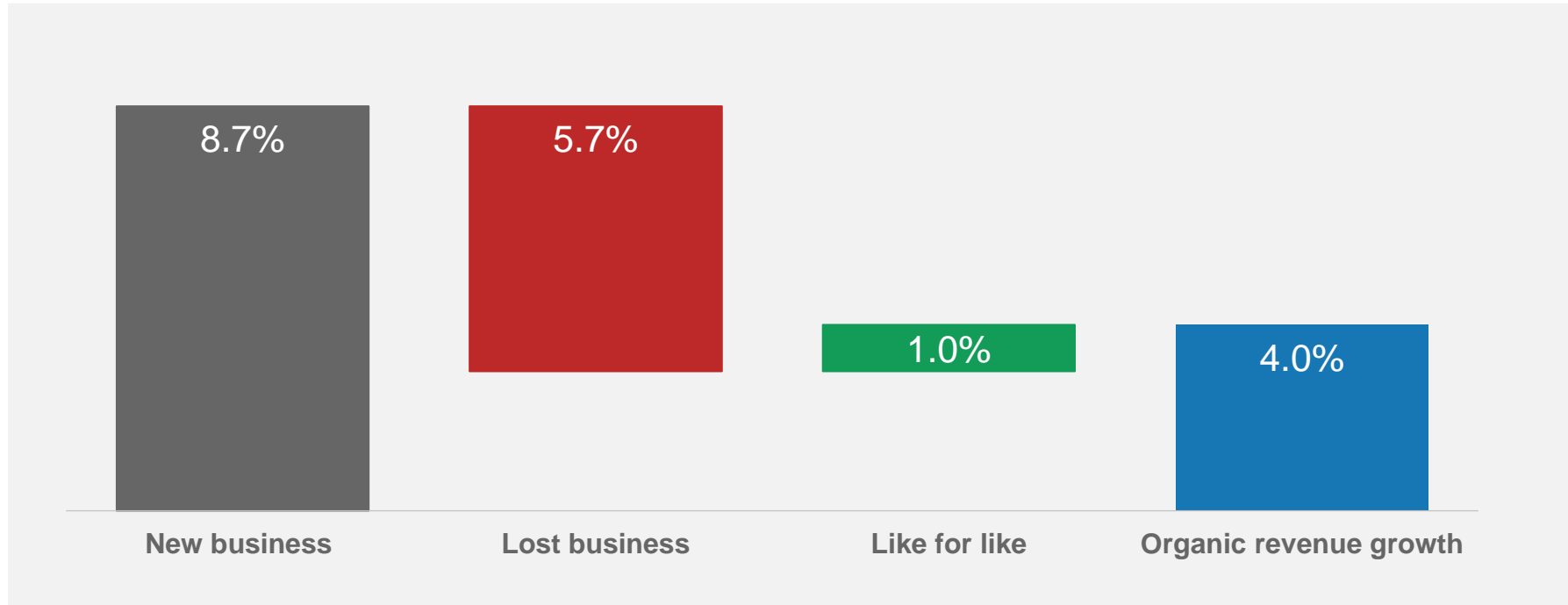


A high-angle photograph of a coffee cup on a wooden table. The cup is filled with a latte, featuring a white leaf-shaped latte art design on the surface. The cup and saucer are white with a brown speckled pattern. In the background, a wooden tray holds a small white pitcher and some coffee beans. The lighting is warm and natural, highlighting the textures of the wood and the coffee.

# Richard Cousins

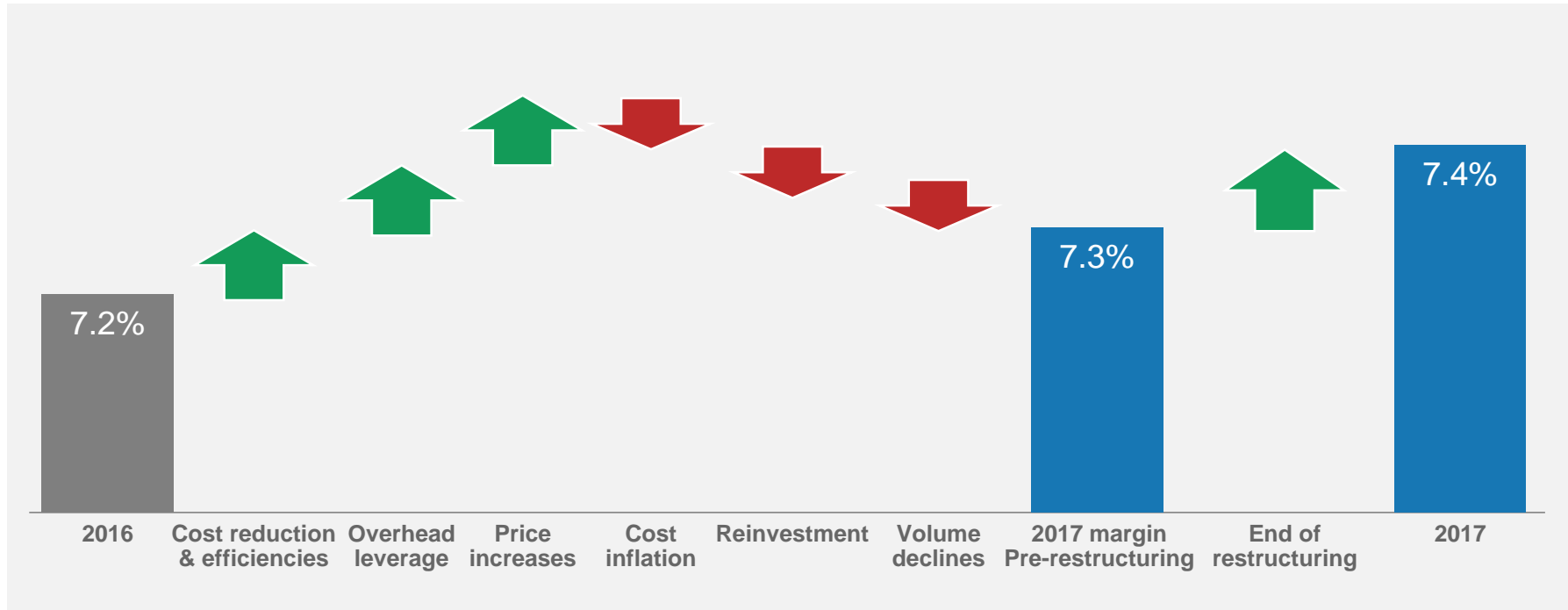
Chief Executive

# 2017 organic revenue growth



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# 2017 margin progression



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

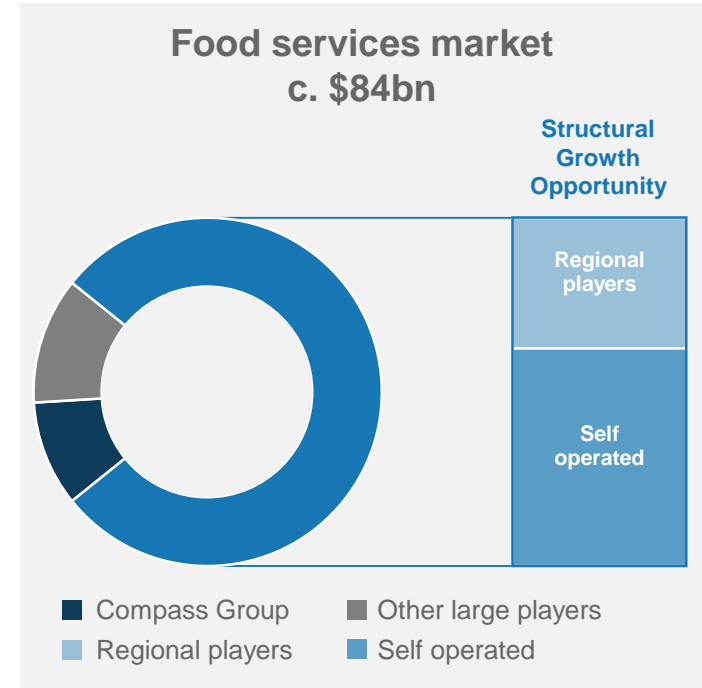
# North America: core growth engine

## Organic revenue up 7.1%

- Strong growth across all sectors
- Excellent retention of 96%
- Sensible pricing

## Margins are strong at 8.1%

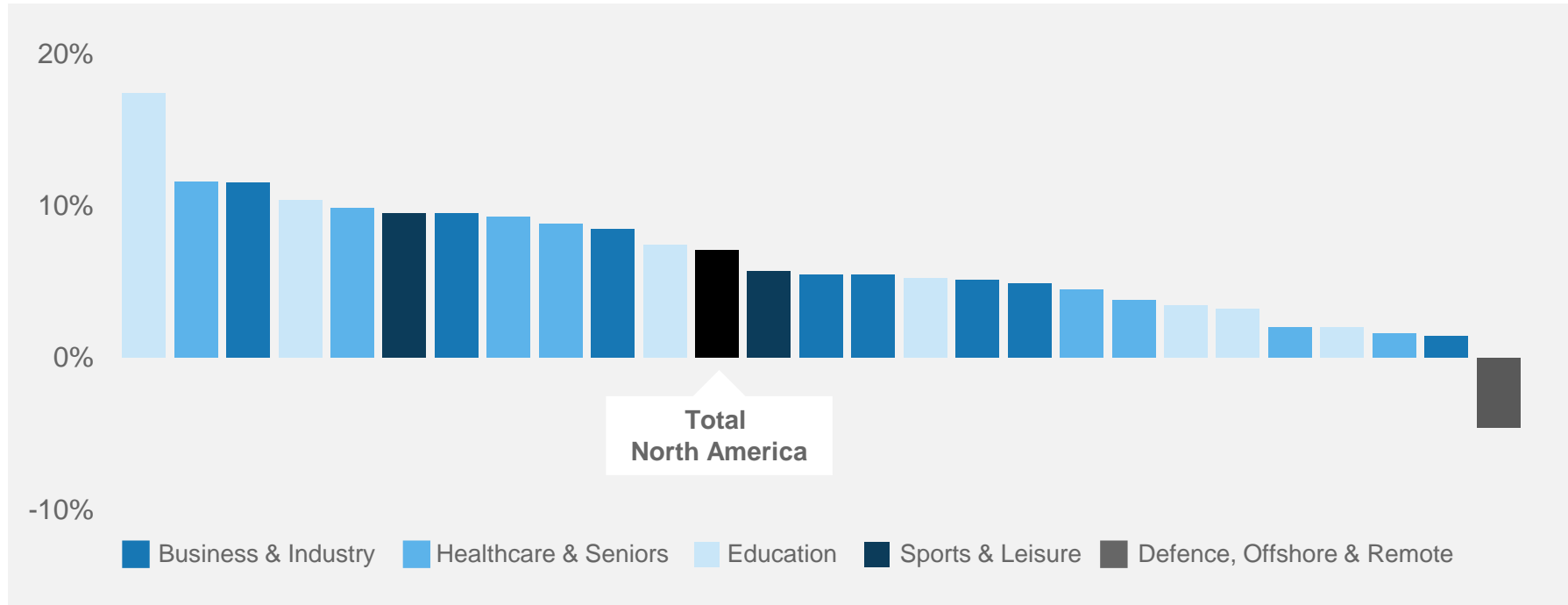
- Good efficiencies and pricing
- Labour cost inflation



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53. Market data based on management estimates.

# Sub-sectorisation continues to drive growth

Organic revenue growth FY 2017

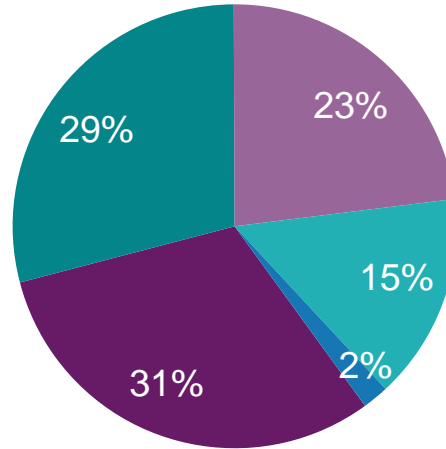


Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.



# Exciting new contract wins

North America Revenues



## Healthcare & Seniors



## Education



## Business & Industry



## Sports & Leisure



# Innovating in labour

## Freeing up unit manager time to focus on clients and consumers

- Tool to source hourly associates in a more efficient way
- Simplification project to reduce tasks at unit level



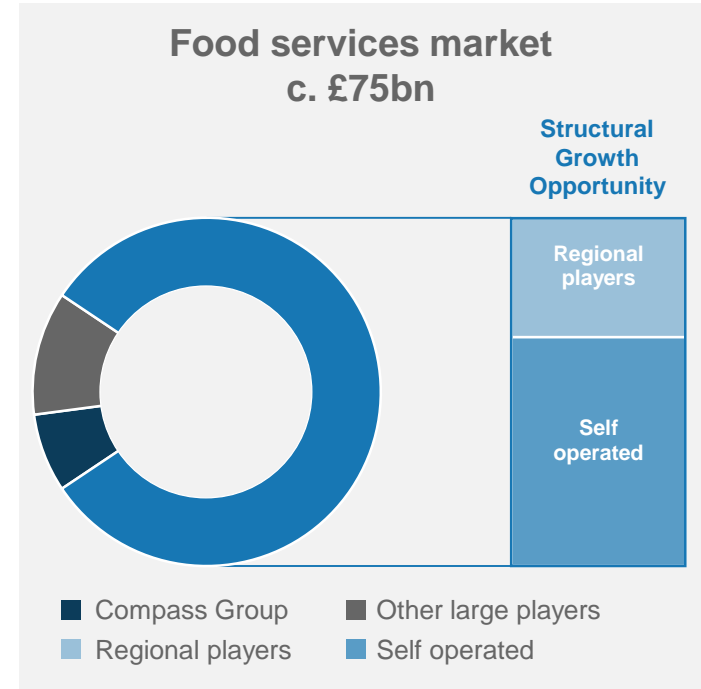
# Europe: improving performance

## Organic revenue up 1.6%

- Growth accelerated in H2
- Sensible pricing

## Margins flat

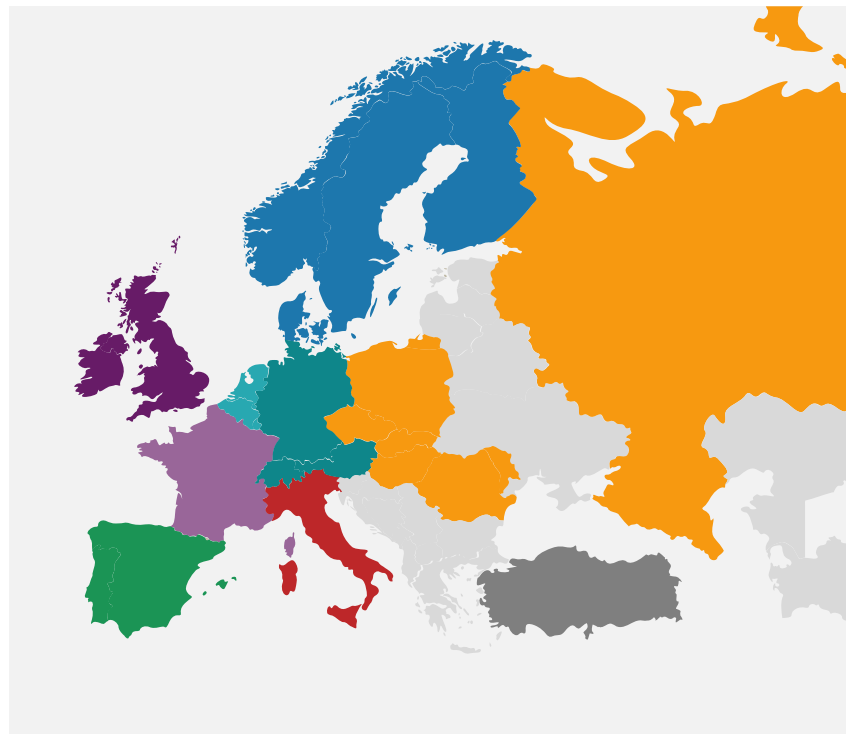
- Efficiencies from the creation of business units
- Labour cost pressures, especially in support services



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.  
Market data based on management estimates.

# Europe: regional overview

- Subdued trading in Continental Europe
- Challenging environment in North Sea
- Exciting growth in the UK
- Strong growth in Turkey



# Rest of World: turning positive

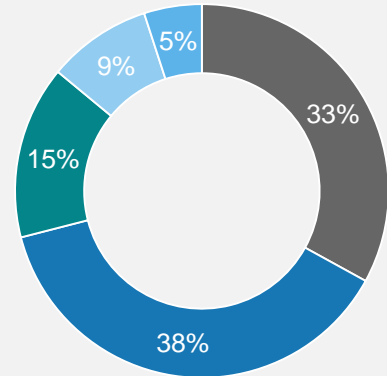
## Organic revenue down 2.5% (up 1.6% in Q4)

- Revenue up 3.0%, excluding Offshore & Remote
- Continued weakness in commodity related business

## Margin up 10bps

- Better than expected restructuring savings
- Benefit from delay in transition to production

Rest of World Revenue by sector

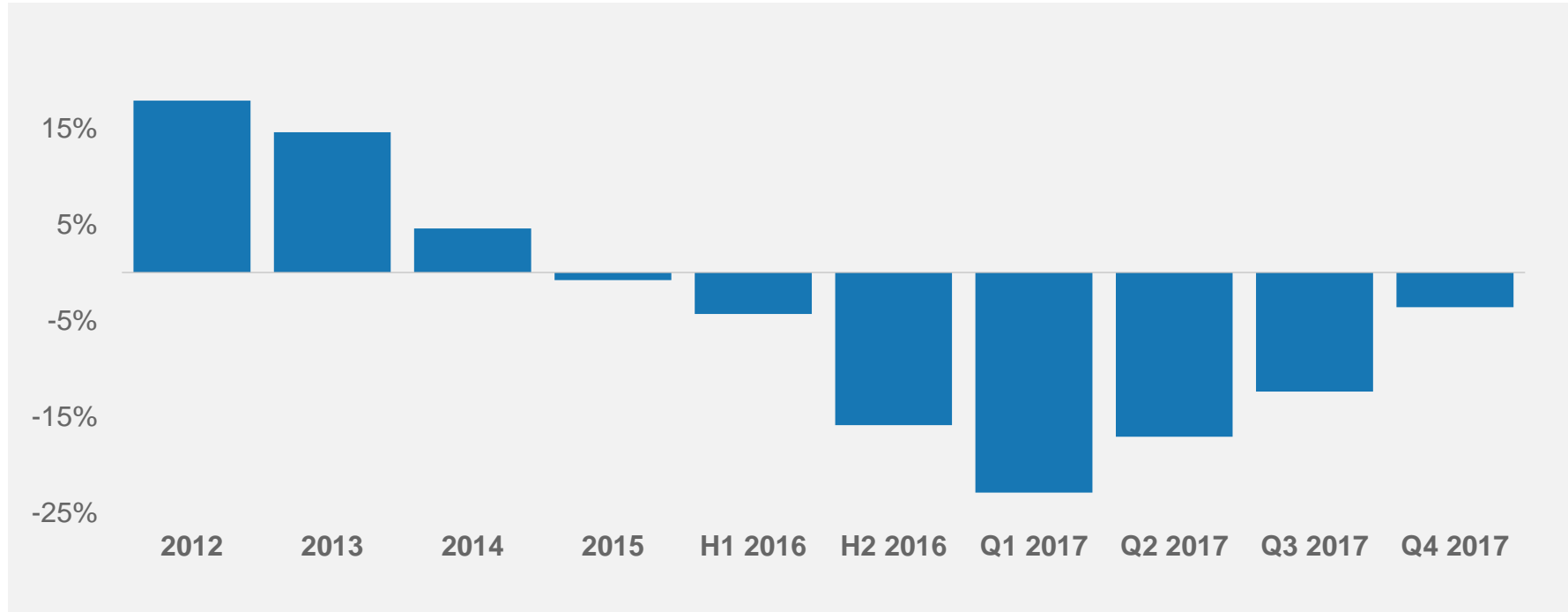


- Defence, Offshore & Remote
- Business & Industry
- Healthcare & Seniors
- Education
- Sports & Leisure

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# Rest of World: improving revenue trend

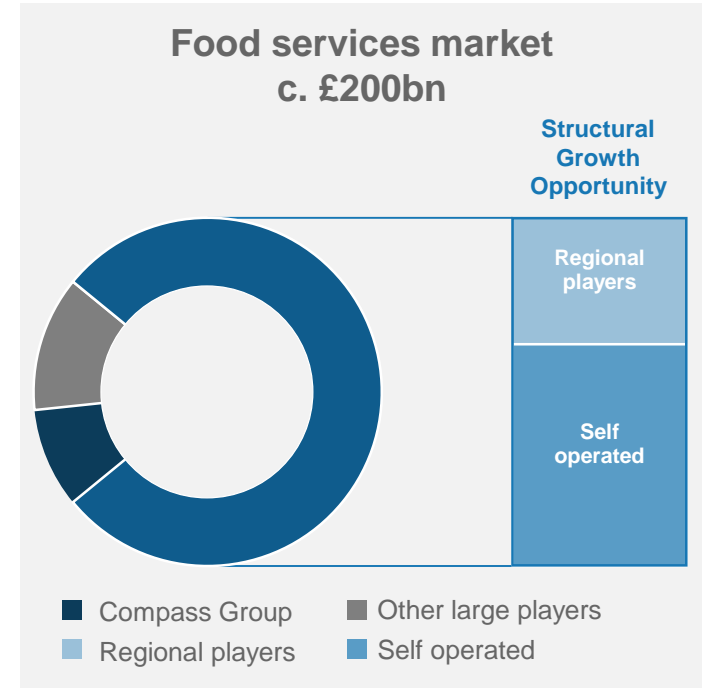
## Offshore & Remote



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see definitions on page 52-53.

# Compass Group going forward

- Large/ significant market opportunity
- Consistent strategy: focused on food
- Growth
- Scale
- Operational performance
- Management



# Summary and outlook

- Continued strength in North America
- Europe performing as expected
- Rest of World trends are encouraging
- £1.6bn returned to shareholders
- 2018
  - Modest margin improvement
  - Strong organic revenue growth





# 2017 Full Year Results

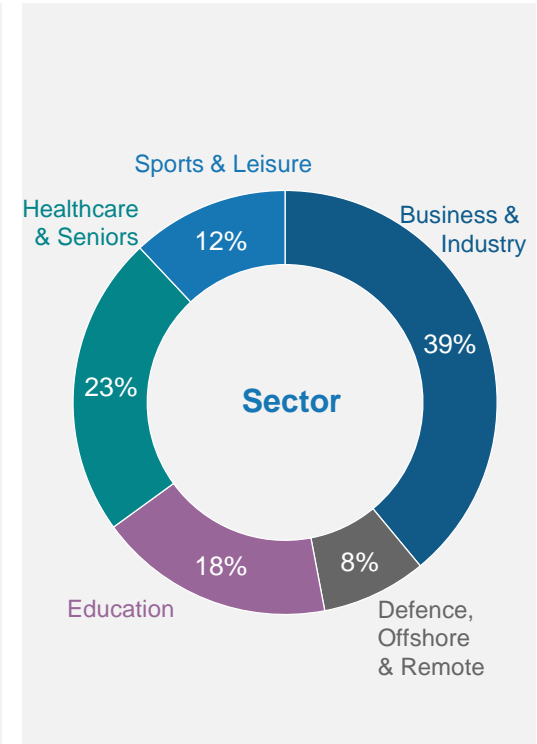
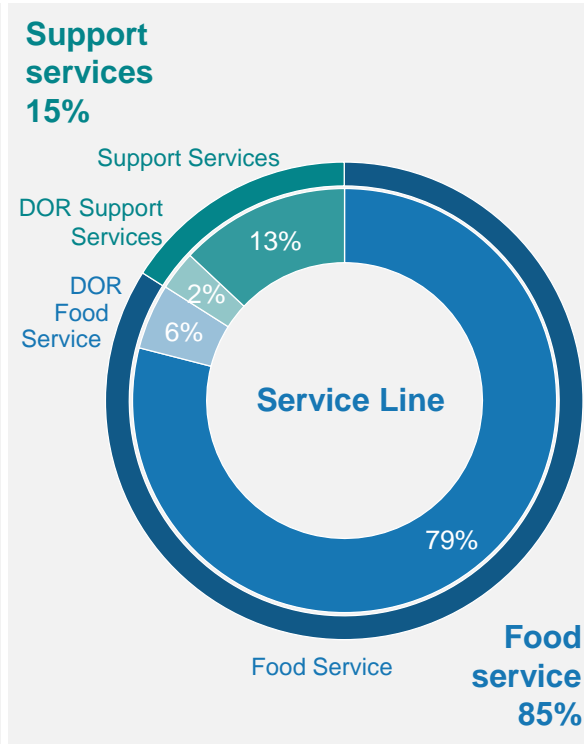
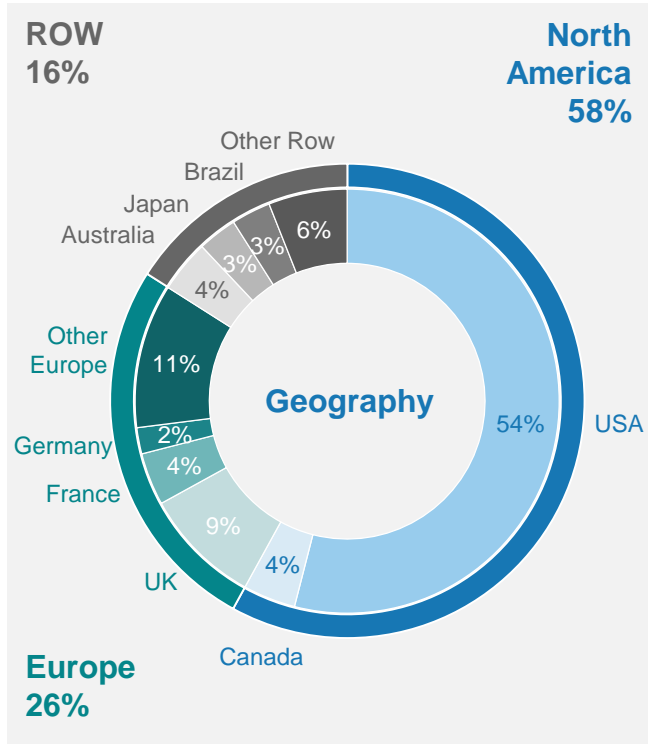
Tuesday 21 November 2017





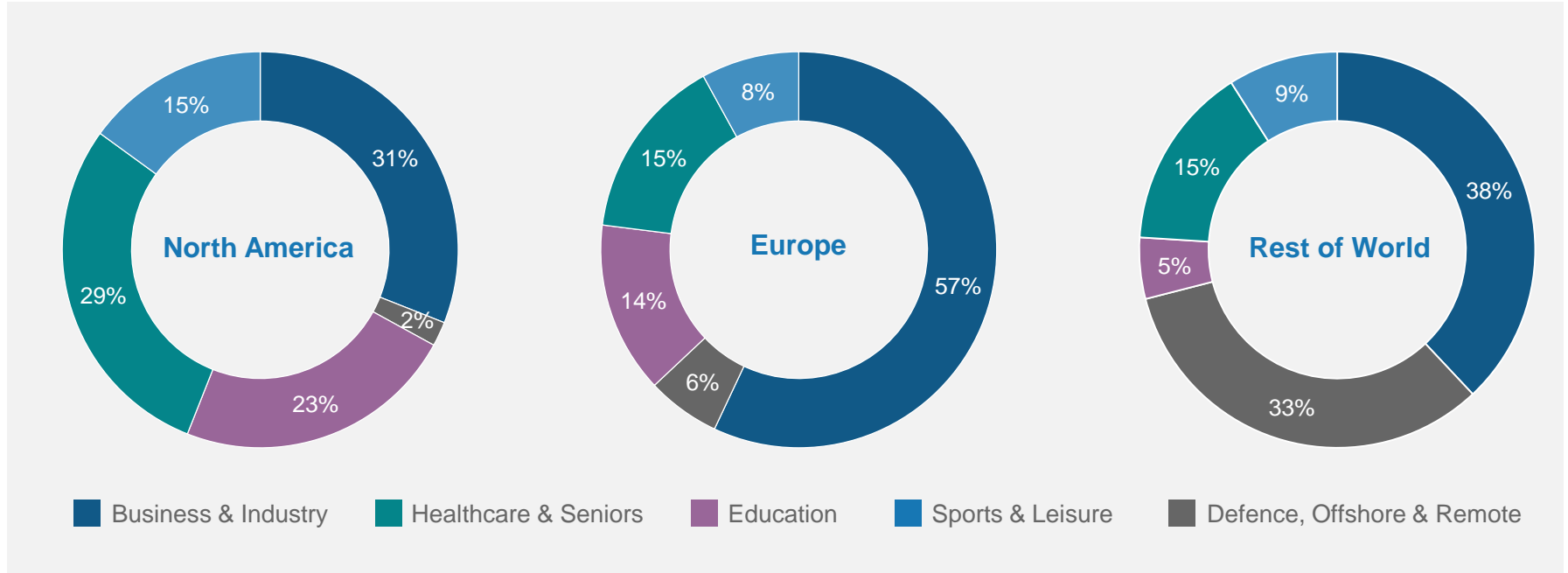
# Supplementary information

# Revenue



Notes: Based on underlying revenues, definitions on page 52-53.

# Geographic revenue by sector



Notes: Based on underlying revenues, definitions on page 52-53.

# Geographic financials

£m	North America	Europe	Rest of World	Other <sup>1</sup>	Total
<b>2017</b>					
Revenue	13,322	5,911	3,619		22,852
<i>Organic growth</i>	7.1%	1.6%	(2.5)%		4.0%
Operating profit	1,082	428	248	(53)	1,705
<i>Margin</i>	8.1%	7.2%	6.9%		7.4%
Cash flow	902	360	202	(490)	974
<i>Cash flow conversion</i>	83%	84%	81%		57%
ROCE	29.5%	11.4%*	26.1%		20.3%
<b>2016</b>					
Revenue	11,198	5,458	3,215		19,871
<i>Organic growth</i>	8.1%	2.8%	(1.2)%		5.0%
Operating profit	908	394	218	(75)	1,445
<i>Margin</i>	8.1%	7.2%	6.8%		7.2%
Cash flow	814	303	217	(426)	908
<i>Cash flow conversion</i>	90%	77%	100%		63%
ROCE	29.5%	10.9%*	25.1%		19.4%

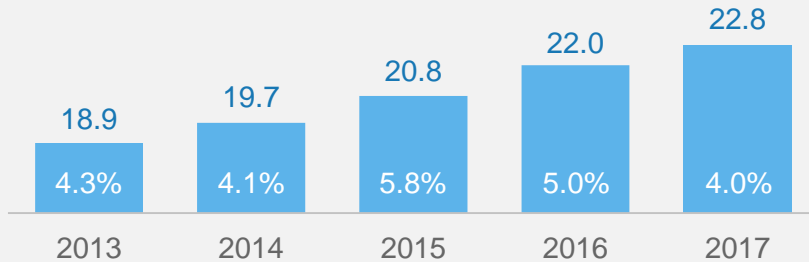
Notes: Based on underlying performance, definitions on page 52-53.

1. Other operating profit includes unallocated overheads £70m (2016: £65m), EM & OR restructuring £ nil (2016: £25m) and share of profit from associates £17m (2016: £15m). Other cash flows includes net interest and tax.

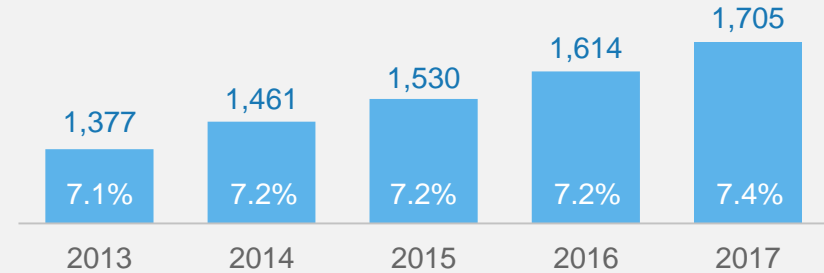
\* Excluding goodwill arising from the Granada merger in 2000, ROCE would be 21.2% (2016: 20.8%)

# Geographic financials

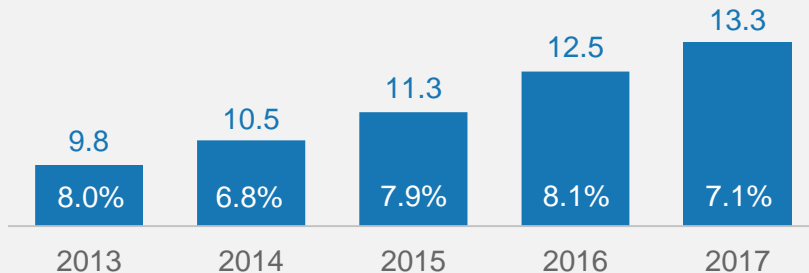
Group Revenue (£bn) & Organic Growth (%)



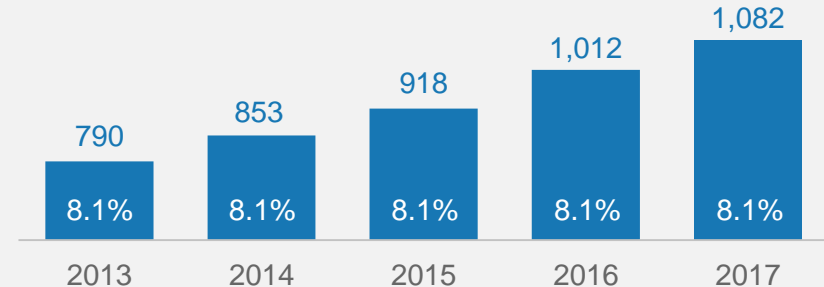
Group Operating Profit (£m) & Margin (%)



NA Revenue (£bn) & Organic Growth (%)



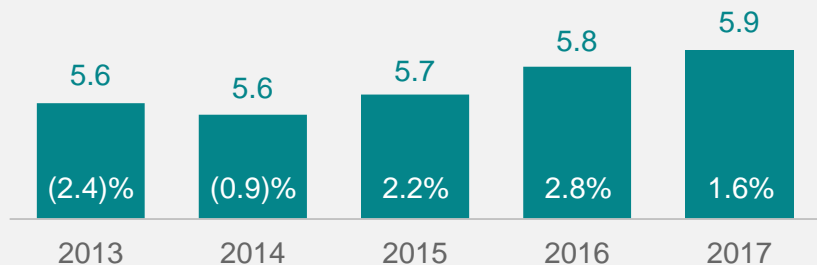
NA Operating Profit (£m) & Margin (%)



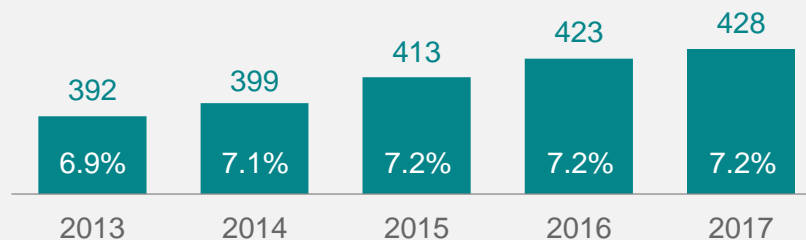
Notes: Based on underlying performance on a constant currency basis, definitions on page 52-53.

# Geographic financials

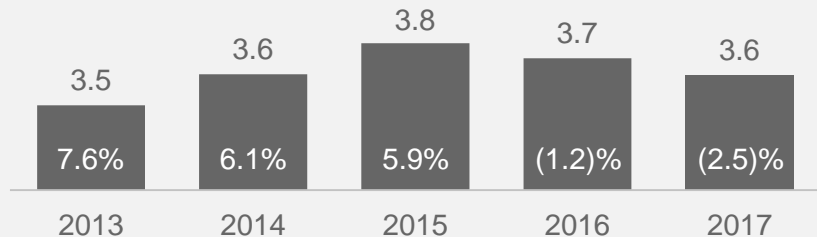
Europe Revenue (£bn) & Organic Growth (%)



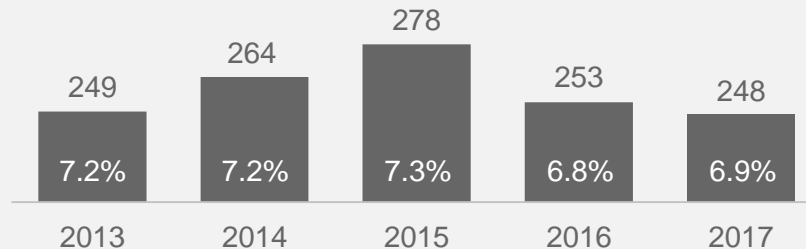
Europe Operating Profit (£m) & Margin (%)



ROW Revenue (£bn) & Organic Growth (%)



ROW Operating Profit (£m) & Margin (%)



Notes: Based on underlying performance on a constant currency basis, definitions on page 52-53.

# Dividend cover

	2017	2016	2015	2014	2013
<b>Per share (pence)</b>					
Dividend (interim plus final)	33.5p	31.7p	29.4p	26.5p	24.0p
Underlying earnings	72.3p	61.1p	53.7p	48.7p	47.7p
<b>Dividend earnings cover</b>	<b>2.2x</b>	<b>1.9x</b>	<b>1.8x</b>	<b>1.8x</b>	<b>2.0x</b>
<b>Cash (£m)</b>					
Cash cost of dividend (in the year)	531	496	457	444	404
Underlying free cash flow	974	908	722	737	834
<b>Dividend cash cover</b>	<b>1.8x</b>	<b>1.8x</b>	<b>1.6x</b>	<b>1.7x</b>	<b>2.1x</b>

Notes: Based on underlying performance, definitions on page 52-53.



# Operating cash flow

£m	2017	2016	2015	2014	2013
Operating profit	1,705	1,445	1,296	1,245	1,265
Depreciation and amortisation	483	395	340	317	299
Net capital expenditure	(683)	(549)	(476)	(445)	(434)
<b>Net cash flow</b>	<b>1,505</b>	<b>1,291</b>	<b>1,160</b>	<b>1,117</b>	<b>1,130</b>
<i>Net cash flow conversion</i>	<i>88%</i>	<i>89%</i>	<i>90%</i>	<i>90%</i>	<i>89%</i>
Trade working capital	(62)	12	(17)	(14)	102
Provisions	(24)	(10)	(20)	11	(35)
<b>Operating cash flow</b>	<b>1,419</b>	<b>1,293</b>	<b>1,123</b>	<b>1,114</b>	<b>1,197</b>
<i>Operating cash flow conversion</i>	<i>83%</i>	<i>89%</i>	<i>87%</i>	<i>89%</i>	<i>95%</i>

Notes: Based on underlying performance, definitions on page 52-53.

# Free cash flow

£m	2017	2016	2015	2014	2013
Operating cash flow	1,419	1,293	1,123	1,114	1,197
Post employment benefits	(14)	(39)	(59)	(46)	(54)
Net interest	(97)	(94)	(93)	(71)	(65)
Net tax	(332)	(246)	(242)	(259)	(256)
Net other items	(2)	(6)	(7)	(1)	12
<b>Free cash flow</b>	<b>974</b>	<b>908</b>	<b>722</b>	<b>737</b>	<b>834</b>
<i>Cash conversion</i>	<i>57%</i>	<i>63%</i>	<i>56%</i>	<i>59%</i>	<i>66%</i>

Notes: Based on underlying performance, definitions on page 52-53.

# ROCE

<b>£m</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
NOPAT	1,264	1,081	973	926	930
Average capital employed	6,218	5,565	5,093	4,799	4,878
<b>ROCE</b>	<b>20.3%</b>	<b>19.4%</b>	<b>19.1%</b>	<b>19.3%</b>	<b>19.1%</b>

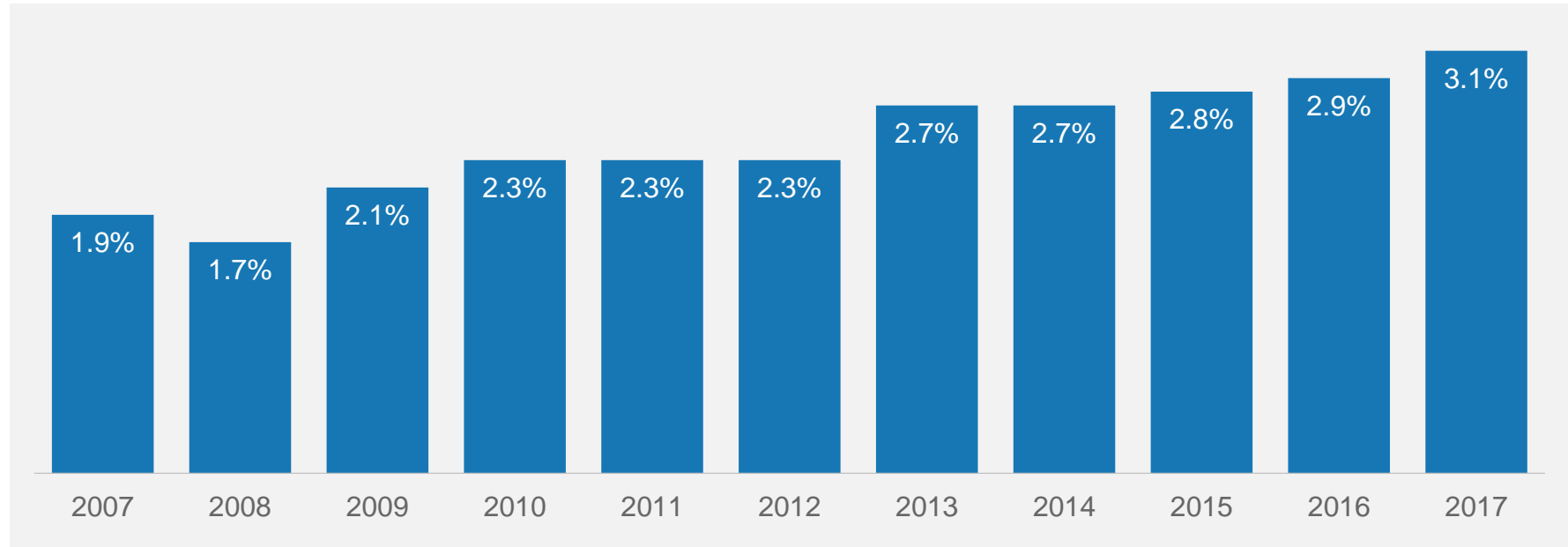
Notes: Based on underlying performance, definitions on page 52-53.

# Balance sheet

<b>Overview (£m)</b>	<b>2017</b>	<b>2016</b>
Goodwill	3,994	4,050
Other non-current assets	2,820	2,694
Working capital	(821)	(897)
Provisions	(398)	(423)
Post employment benefit obligations	28	(21)
Current tax payable	(141)	(118)
Deferred tax	84	109
Net debt	(3,446)	(2,874)
<b>Net assets</b>	<b>2,120</b>	<b>2,520</b>
Shareholders' equity	2,098	2,505
Non-controlling interests	22	15
<b>Total equity</b>	<b>2,120</b>	<b>2,520</b>

# Balance sheet

Capital expenditure (% of revenue)



Notes: Based on underlying performance, definitions on page 52-53.  
 Gross capital expenditure includes tangible and intangible assets, including assets acquired under finance leases.

# Financing

Components of net debt	£m
Bonds	2,180
Private placements	1,416
Bank loans	303
	<b>3,899</b>
Finance leases	10
Other loans and fair value accounting adjustments	42
Derivatives	(126)
<b>Gross debt</b>	<b>3,825</b>
Cash net of overdrafts	(379)
<b>Closing net debt at 30 September 2017</b>	<b>3,446</b>

Notes: Based on nominal value of borrowings as at 30 September 2017.

# Financing

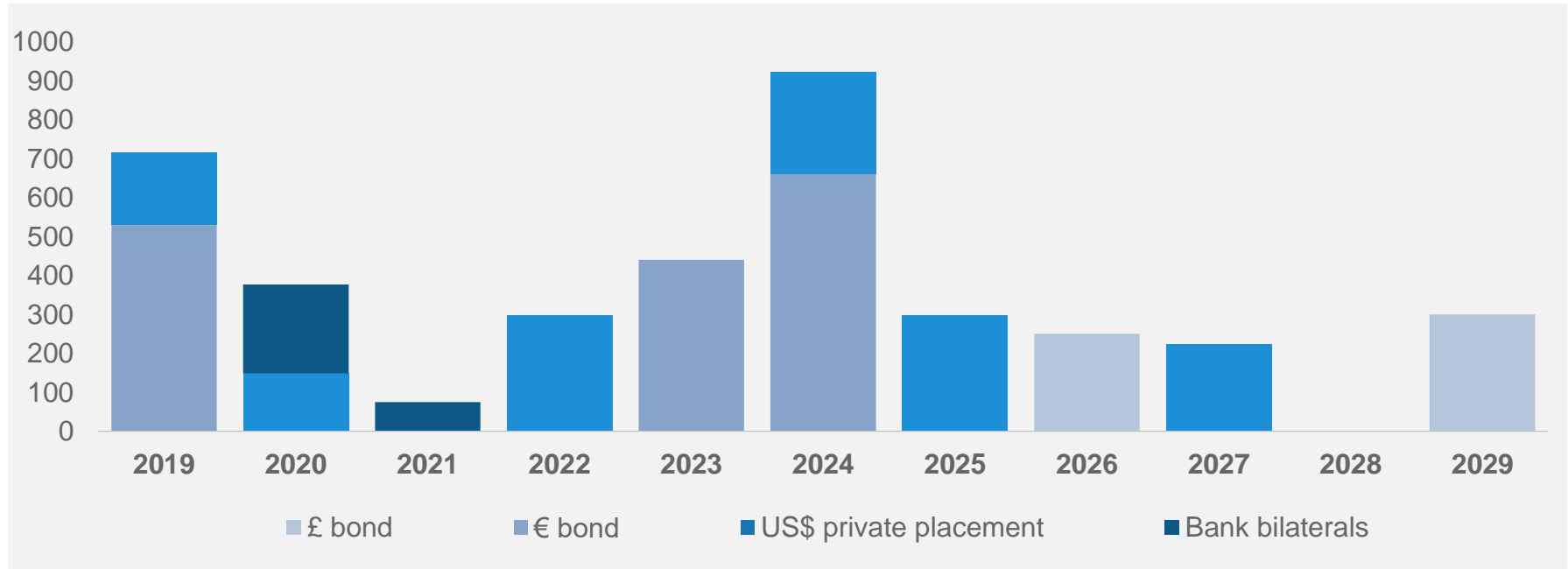
Principal borrowings	Coupon	Maturing in Financial Year	Drawn £m
<b>Bonds</b>			
€600m	3.125%	2019	529
€500m	1.875%	2023	440
€750m	0.625%	2024	661
£250m	3.850%	2026	250
£300m	2.000%	2029	300
<b>Total</b>			<b>2,180</b>
<b>US private placements</b>			
\$1,000m (2011 Notes)	3.31% - 4.12%	2019 – 2024	745
\$500m (2013 Notes)	3.09% – 3.81%	2020 – 2025	372
\$400m (2015 Notes)	3.54% - 3.64%	2025 - 2027	299
<b>Total</b>			<b>1,416</b>
<b>Bank loans</b>			
£1,000m syndicated facility		2021	75
£690m bilateral facilities		2021	228
<b>Total</b>			<b>303</b>

Notes: Based on borrowings as at 30 September 2017.  
Interest rates shown are those in force on the date the debt was issued.  
The Group uses interest rate swaps to manage its effective interest rates.

No other adjustments have been made for hedging instruments, fees or discounts.  
All the above bonds, private placements and bank loans are held at the Compass Group PLC level except for the €750m 2024 bond held at Compass Group International B.V. which is a wholly owned subsidiary.  
The maturity date of the bilateral facilities has been extended from 2020 to 2021 in November 2017, after year end.

# Financing

£m



Notes: Based on borrowings and facilities in place as at 30 September 2017, maturing in the financial year ending 30 September.  
 There are no borrowings and facilities due in 2018.  
 The average life of the Group's principal borrowings is 5.6 years (2016: 5.0 years)



# Financing

## Debt ratios and credit ratings

### Ratings

		<i>Outlook</i>	<i>Confirmed</i>
Standard & Poors	A	Stable	24 Feb 17
Moody's <sup>4</sup>	A3	Stable	02 Mar 17
Fitch (unsolicited)	A-	Stable	24 Oct 17

<b>Ratios</b>	<b>2017</b>	<b>2016</b>
Net debt <sup>1</sup> / EBITDA <sup>2</sup>	1.6x	1.6x
EBITDA <sup>2</sup> / net interest <sup>3</sup>	18.8x	17.8x

Notes: 1. Net debt is adjusted where necessary or covenant definitions.

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

3. Interest excludes the element of finance charges resulting from hedge accounting ineffectiveness and the change in the fair value of investments and minority interest put options.

4. The rating action from Moody's on 2 March 2017 was an upgrade to the rating.

# Exchange rates

## Rates used in consolidation

### Income Statement <sup>1</sup>

### Balance Sheet <sup>2</sup>

2017 per £

2016 per £

2017 per £

2016 per £

Australian Dollar	1.67	1.94	1.71	1.70
Brazilian Real	4.09	5.19	4.24	4.22
Canadian Dollar	1.68	1.88	1.68	1.71
Chilean Peso	837.69	972.94	857.49	855.93
Euro	1.15	1.28	1.13	1.16
Japanese Yen	141.38	159.94	151.02	131.54
New Zealand Dollar	1.78	2.08	1.86	1.79
Norwegian Krone	10.55	12.00	10.68	10.38
Turkish Lira	4.44	4.16	4.77	3.90
UAE Dirhams	4.69	5.22	4.93	4.77
US Dollar	1.28	1.42	1.34	1.30

Notes: 1. Income statement uses average monthly closing rates for the 12 months to 30 September.

2. Balance sheet uses the closing rate as at 30 September.

# Exchange rates

## Effect on 2017 revenue and profit

### US Dollar

£m cumulative change for an incremental 5 cent movement		
Exchange Rate	Revenue Change	Profit Change
1.53	(2,050)	(171.5)
1.48	(1,696)	(141.8)
1.43	(1,316)	(110.1)
1.38	(910)	(76.1)
1.33	(472)	(39.5)
1.28	-	-
1.23	510	42.7
1.18	1,064	89.0
1.13	1,667	139.4
1.08	2,326	194.5

### Canada Dollar

£m cumulative change for an incremental 5 cent movement		
Exchange Rate	Revenue Change	Profit Change
1.93	(105)	(6.9)
1.88	(86)	(5.8)
1.83	(66)	(4.4)
1.78	(45)	(3.0)
1.73	(23)	(1.6)
1.68	-	-
1.63	25	1.7
1.58	51	3.4
1.53	79	5.3
1.48	109	7.3

### Euro

£m cumulative change for an incremental 5 cent movement		
Exchange Rate	Revenue Change	Profit Change
1.40	(499)	(41.7)
1.35	(414)	(34.6)
1.30	(322)	(27.0)
1.25	(224)	(18.7)
1.20	(116)	(9.7)
1.15	-	-
1.10	127	10.6
1.05	266	22.3
1.00	419	35.0
0.95	588	49.2

Notes: Cumulative revenue and operating profit change arising by restating the 2017 full year revenue and operating profit of the relevant currency for the incremental changes in exchange rates shown.

# Exchange rates

## Effect on 2017 revenue and profit

### Australian Dollar

£m cumulative change for an incremental 5 cent movement

Exchange Rate	Revenue Change	Profit Change
1.92	(104)	(9.7)
1.87	(86)	(8.0)
1.82	(66)	(6.1)
1.77	(45)	(4.2)
1.72	(23)	(2.2)
1.67	-	-
1.62	25	2.3
1.57	51	4.7
1.52	79	7.3
1.47	109	10.1

### Brazilian Real

£m cumulative change for an incremental 20 centavo movement

Exchange Rate	Revenue Change	Profit Change
5.09	(130)	(8.0)
4.89	(108)	(6.7)
4.69	(84)	(5.3)
4.49	(59)	(3.7)
4.29	(31)	(1.9)
4.09	-	-
3.89	34	2.1
3.69	71	4.5
3.49	113	7.1
3.29	160	10.0

### Japanese Yen

£m cumulative change for an incremental 10 yen movement

Exchange Rate	Revenue Change	Profit Change
191.38	(201)	(14.2)
181.38	(169)	(12.0)
171.38	(134)	(9.5)
161.38	(95)	(6.7)
151.38	(51)	(3.6)
141.38	-	-
131.38	58	4.1
121.38	127	8.9
111.38	207	14.6
101.38	303	21.4

Notes: Cumulative revenue and operating profit change arising by restating the 2017 full year revenue and operating profit of the relevant currency for the incremental changes in exchange rates shown.

# Definitions

Capital employed	Total equity shareholders' funds adjusted for net debt, post employment benefit obligations net of associated deferred tax, amortised intangibles arising on acquisition, impaired goodwill and excluding the Group's non-controlling partners' share of net assets and net assets of discontinued operations.
Constant currency	Restates the prior year results to the current year's average exchange rates.
EM & OR restructuring	Emerging Markets and Offshore & Remote restructuring.
Free cash flow	Calculated by adjusting operating profit for non-cash items in profit, cash movements in provisions, post employment benefit obligations and working capital, cash purchases and proceeds from disposal of non-current assets, net cash interest, net cash tax, dividends received from joint ventures and associated undertakings, and dividends paid to non-controlling interests.
Free cash flow conversion	Underlying free cash flow expressed as a percentage of underlying operating profit.
Like for like revenue growth	Calculated by adjusting organic revenue growth for new business wins and lost business.
Net debt	Bank overdrafts, bank and other borrowings, finance leases and derivative financial instruments, net of cash and cash equivalents.
Net debt to EBITDA	Net debt divided by underlying EBITDA.
NOPAT	Net operating profit after tax (NOPAT) is calculated as underlying operating profit from continuing operations less operating profit of non-controlling interests before tax, net of income tax at the underlying rate of the year.
Organic profit growth	Calculated by adjusting underlying operating profit for acquisitions (excluding current year acquisitions and including a full period in respect of prior year acquisitions), disposals (excluded from both periods) and exchange rate movements (translating the prior period at current year exchange rates) and compares the current year results against the prior year. In addition, where applicable, a 53rd week has been excluded from the prior year's underlying operating profit.
Organic profit	Calculated by adjusting underlying operating profit for acquisitions (excluding current year acquisitions and including a full period in respect of prior year acquisitions), disposals (excluded from both periods) and exchange rate movements (translating the prior period at current year exchange rates).
Organic revenue	Calculated by adjusting underlying revenue for acquisitions (excluding current year acquisitions and including a full period in respect of prior year acquisitions), disposals (excluded from both periods) and exchange rate movements (translating the prior period at current year exchange rates).
Organic revenue growth	Calculated by adjusting underlying revenue for acquisitions (excluding current year acquisitions and including a full period in respect of prior year acquisitions), disposals (excluded from both periods) and exchange rate movements (translating the prior period at current year exchange rates) and compares the current year results against the prior year. In addition, where applicable, a 53rd week has been excluded from the prior year's underlying revenue.

# Definitions

ROCE	Return on capital employed (ROCE) divides NOPAT by the 12 month average capital employed.
Specific adjusting items	acquisition transaction costs; adjustment to contingent consideration on acquisition; amortisation of intangibles arising on acquisition; change in the fair value of investments; other financing items including hedge accounting ineffectiveness; profit/(loss) on disposal of businesses; share-based payments expense relating to non-controlling interest call options; tax on share of profit of joint ventures.
Underlying basic earnings per share	Excludes specific adjusting items and the tax attributable to those items.
Underlying cash tax rate	Based on underlying cash tax and underlying profit before tax.
Underlying depreciation and amortisation	Excludes specific adjusting items.
Underlying EBITDA	Based on underlying operating profit, adding back underlying depreciation and amortisation.
Underlying effective tax rate	Based on underlying tax charge and underlying profit before tax.
Underlying free cash flow	Free cash flow adjusted for cash restructuring costs in the year relating to the 2012 and 2013 European exceptional programme.
Underlying net finance cost	Excludes specific adjusting items.
Underlying operating margin - Group	Based on underlying revenue and underlying operating profit excluding share of profit after tax of associates.
Underlying operating margin - Region	Based on underlying revenue and underlying operating profit excluding share of profit after tax of associates and EM & OR restructuring.
Underlying operating profit - Group	Includes share of profit after tax of associates and profit before tax of equity accounted joint ventures but excludes the specific adjusting items.
Underlying operating profit - Region	Includes share of profit before tax of equity accounted joint ventures but excludes the specific adjusting items profit after tax of associates and EM & OR restructuring.
Underlying profit before tax	Excludes specific adjusting items.
Underlying revenue	The combined sales of Group and share of equity accounted joint ventures.
Underlying tax charge	Excludes tax attributable to specific adjusting items.