



***Another quarter of strong organic growth.  
Full Year guidance unchanged.***

25 July 2023 – Compass Group PLC, a global leader in food services, today announces trading results for the third quarter ended 30 June 2023.

**Group and regional performance**

Our third quarter performance was strong with organic revenue growth of 15%, despite lapping the reopening of all sectors in the prior year.

Year to date organic revenue growth was 21%, benefiting from excellent client retention of 96.7%, balanced net new business growth of 5%, appropriate pricing of 7% and strong like-for-like volume growth of 9%.

<b>Organic revenue growth<sup>1</sup></b>	<b>Q3 2023</b>	<b>Q3 YTD 2023</b>
North America	14%	20%
Europe	17%	24%
Rest of World	20%	25%
<b>Group</b>	<b>15%</b>	<b>21%</b>

Outsourcing trends remain strong and are contributing to an exciting pipeline of new business opportunities across all our regions. Whilst inflation remains elevated, we are making margin progress by mitigating cost pressures, pricing appropriately and benefiting from operational leverage.

**Acquisitions and disposals**

We continue to focus on bolt-on acquisitions that support our capabilities and further strengthen our competitive advantage. Year to date, the Group's net expenditure on acquisitions and disposals was £272 million.

**Share buyback programme**

We have purchased £250 million of the £750 million share buyback programme announced at our HY results in May 2023, the remainder of which will complete by the date of our full year results. Since May 2022, we have announced a cumulative share buyback of £1.5 billion.

<sup>1</sup> Year on year change.

## Currency

Trading results from our overseas operations are translated at the average exchange rates for the period. If these currency movements<sup>2</sup> continue for the remainder of the year, foreign exchange translation would positively impact FY 2022 revenue by £593 million and operating profit by £43 million.

As previously announced, from 1 October 2023, the Group will report in US dollars to align with our business exposure and reduce foreign exchange volatility on earnings. Restated financials are available at [www.compass-group.com](http://www.compass-group.com).

## Summary and outlook

We are pleased with our third quarter performance, and we reiterate our FY 2023 guidance. We continue to expect operating profit growth towards 30% on a constant-currency basis, to be delivered through organic revenue growth of around 18% and an underlying operating margin in the range of 6.7% to 6.8%.

Longer term, we expect the growth opportunities to sustain mid-to-high single-digit organic growth and a path back to our historical margin, leading to profit growth above revenue growth. With our proven value creation model, we will continue rewarding shareholders with compounding returns over the long term.

## Sustainability deep dive

The Group will present a virtual sustainability deep dive on 14 September 2023. Details to follow in due course.

## Conference call

There will be a live Q&A session for analysts and investors at 9.00am. **Please connect to the call at least 10 minutes prior to the start time by dialling:**

UK Toll Number:	+44 (0) 33 0551 0200
UK Toll-Free Number:	0808 109 0700
New York Number:	+1 786 697 3501
US Toll-Free Number:	866 580 3963
Please reference <b>COMPASS</b>	

## Financial calendar

Payment date for 2023 interim dividend	27 July 2023
Sustainability deep dive	14 September 2023
Full year results	20 November 2023

## Enquiries

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<sup>2</sup> Based on closing rates as at 20 July 2023.

## About Compass Group

- Compass Group PLC is a world leading food service company, which generated annual revenues of £25.8 billion in the year to 30 September 2022. It serves meals to millions of people and employs and engages with over 500,000 people. The Company specialises in providing food and a range of support services across the core sectors of Business & Industry, Healthcare & Senior Living, Education, Sports & Leisure, and Defence, Offshore & Remote, with an established brand portfolio.
- Organic revenue, a term used throughout the announcement, is calculated by adjusting for acquisitions (excluding current period acquisitions and including a full period in respect of prior period acquisitions), sale and closure of businesses (excluded from both periods) and exchange rate movements (translating the prior period at current period exchange rates).

## Environmental, Social, and Governance (ESG)

- To create long term sustainable growth for all our stakeholders, Compass Group focuses on Environmental, Social, and Governance (ESG) efforts where we can have the most positive impact. To learn more about our sustainability initiatives and priorities, please visit our [website](#).

## Forward-looking statements

Certain information included in this Announcement 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, the direct and indirect future impacts and implications of public health crises such as the coronavirus COVID-19 on the economy, nationally and internationally, and on the Group, its operations and prospects; disruptions and inefficiencies in supply chains (such as resulting from the war in Ukraine); future domestic and global political, economic and business conditions (such as inflation or the UK's exit from the EU); 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 and expected expenditures and divestments; risks associated with changes in economic conditions, levels of economic growth and the strength of the food and support services markets in the jurisdictions in which the Group operates; fluctuations in food and other product costs and labour 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 in this Announcement are not guarantees of future performance. All forward-looking statements in this Announcement are based upon information known to the Company on the date of this Announcement. 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 when making their investment decisions. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation or warranty 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 Guidance 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 Announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.