5 February 2015

AGM and Trading Update

Compass Group PLC is today issuing a trading update ahead of its Annual General Meeting to be held at 12:00 noon today at the Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE. At this meeting, shareholders will be provided with the following update on the Group's performance since 30 September 2014.

Group

Compass had a strong start to the new financial year. Organic revenue grew 5.7% for the first three months to 31 December 2014. Our focus on organic growth continues to drive strong levels of new business and good retention rates across all regions. Like for like revenue increased in the quarter, reflecting modest pricing and some volume improvement.

Our ongoing commitment to generating efficiencies in the business continues to be supported by our management and performance (MAP) programme. We are using these efficiencies to invest in the exciting growth opportunities around the Group, whilst also improving our operating margin.

Regions

North America had a strong start to the year. The trends seen in the second half of 2014 continued into the first quarter of 2015. We had good levels of new business wins, unusually high retention rates and an improvement in like for like revenues in some sectors. Importantly, Europe & Japan returned to growth, driven by good levels of new business wins and better retention. Whilst still negative, like for like volumes have improved. In Fast Growing & Emerging, double digit organic growth in emerging markets, driven by a continued trend to outsourcing, offset volume pressures in some countries due to a mixed macroeconomic back drop, and the expected decline in the Australian offshore and remote sector.

Currency

Trading results from our overseas operations are translated at the average exchange rates for the period. Sterling weakened against the US dollar, especially towards the end of the quarter; however, it continued to strengthen against many of the Group's other key currencies, including the Euro, Yen, Australian dollar and Brazilian real. Taken together, these currency movements, compared to the same quarter last year, had a negative translation impact on revenues and profit in the quarter of £40 million and £2 million respectively.

Summary & outlook

Compass had a strong first quarter, and we maintain our positive expectations for the full year. However, the economic environment is uncertain in some of our markets, and lower oil prices may impact our oil extraction related offshore and remote business. Our pipeline of new contracts is encouraging, and our focus on organic growth and efficiencies gives us confidence in achieving another year of delivery. In the longer term, we remain excited about the significant structural growth opportunities globally and the potential for further revenue and margin growth.

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Note to Editors

a) Compass Group PLC is one of the world's leading foodservice and support services companies which generated annual revenues of £17 billion in the year to 30 September 2014. It operates in over 50 countries, employs over 500,000 people and serves over 4 billion meals every year. The Company specialises in providing food and a range of support services across the core sectors of Business & Industry, Healthcare & Seniors, Education, Defence, Offshore & Remote, Sports & Leisure and Vending with an established brand portfolio.

b) MAP (Management and Performance) is a simple, but clearly defined Group operating framework. MAP focuses on five key value drivers, enabling the businesses to deliver disciplined, profitable growth with the focus more on organic growth and like for like growth.

The five key value drivers are:

MAP 1: Client sales and marketing
MAP 2: Consumer sales and marketing
MAP 3: Cost of food
MAP 4: Unit costs
MAP 5: Above unit overheads

c) Organic revenue growth, 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), disposals (excluded from both periods) and exchange rate movements (translating the prior period at current period exchange rates).

d) 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, 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 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, 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 announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

e) A copy of this release, together with all other recent announcements and presentations can be found on Compass Group's website at www.compass-group.com.