Legal Entity Identifier (LEI): No. 2138008M6MH9OZ6U2T68

17 March 2020

Coronavirus (COVID-19) Trading Update

Compass Group provides a trading update in light of the rapidly changing situation regarding COVID-19. Our priority remains the health and safety of our employees, clients and consumers.

Compass' organic revenue growth for the five months ending 29 February 2020 was 6% as measures to contain the virus in our Asia Pacific region did not materially impact our business. Our operating margin during that five month period increased by around 10bps[1] with the benefits from the restructuring programme in Europe coming through strongly.

However, the acceleration of containment measures adopted by governments and clients in Continental Europe and North America have affected our expectations for the Half Year. The vast majority of our Sports & Leisure and Education business in these regions has been closed, and our Business & Industry volumes are being severely impacted. Our current expectations are that Half Year 2020 organic revenue growth should be between 0-2%. We are implementing significant mitigation plans to manage our costs, and at this stage expect the drop-through impact of the lost revenue to be between 25%-30% across the business. As a result, our operating profit for Half Year 2020 will be £125 million - £225 million[2] lower than expected.

We are working to protect our cash flow and are pro-actively managing our capital expenditure and working capital. We have significant headroom against a 4x net debt/ EBITDA covenant in our US Private Placement Agreements and we have substantial liquidity with a £2 billion committed Revolving Credit Facility[3] maturing in 2024. Stable outlooks have recently been reconfirmed on our A/A3 credit ratings.

We continue to monitor the situation closely and will provide a further update with our 2020 Half Year results announcement on 13 May 2020.

Enquiries

Investors	Sandra Moura, Simon Bielecki & Agatha Donnelly	+44 (0) 1932 573000
Press	Tim Danaher & Fiona Micallef-Eynaud, Brunswick	+44 (0) 207 404 5959
Website	www.compass-group.com	

1 Pre IFRS16
2 Exchange rates at 16 March 2020 9:00am
3 Which contains no financial covenants

Note to Editors

a) Compass Group PLC is the world's leading food service company, which generated annual revenues of £25.2 billion in the year to 30 September 2019. It operates in around 45 countries, employs and engages over 600,000 people and serves over 5.5 billion meals a year. The Company specialises in providing food and a range of support services across the core sectors of Business & Industry, Healthcare & Seniors, Education, Sports & Leisure and Defence, Offshore & Remote, with an established brand portfolio.

b) 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).

c) 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 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.

d) 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.