



Change in reporting currency

Re-presentation of Alternative
Performance Measures in US dollars

June 2023



Change in reporting currency

- Group to change its reported currency from sterling to US dollars from 1 October 2023 as previously announced
- These tables show the re-presentation of Alternative Performance Measures for each financial period from 2019 onwards
- Financial information has been re-presented in US dollars for comparative purposes in accordance with IAS 21; which includes the retranslation of assets and liabilities at exchange rates at the relevant balance sheet dates, and the retranslation of income statements and cash flows at the average exchange rates for the relevant periods
- Primary consolidated financial statements, together with selected notes, for the six months ended 31 March 2022 / 2023, and the year ended 30 September 2022 are accessible via the Company's website www.compass-group.com/en/investors
- Group results for the year ending 30 September 2023 will be in sterling with separate memorandum information in US dollars
- IR team available to support parallel models ahead of full year 2023, after which reporting and FX guidance will be in US dollars
- Our approach to Group guidance remains consistent with recent periods

Income statement

\$m	FULL YEAR				HALF YEAR				
	2022	2021	2020	2019	2023	2022	2021	2020	2019
Revenue	32,948	24,761	25,882	32,099	18,819	15,605	11,530	16,184	16,172
<i>Organic revenue growth</i>	37.5%	(6.3)%	(18.8)%	6.4%	24.7%	37.9%	(30.4)%	1.6%	6.6%
Operating profit	2,033	1,107	719	2,402	1,251	903	391	1,096	1,234
<i>Operating profit margin</i>	6.2%	4.5%	2.9%	7.4%	6.6%	5.8%	3.4%	6.7%	7.5%
Net finance cost	(128)	(154)	(172)	(140)	(79)	(50)	(76)	(83)	(71)
Profit before tax	1,905	953	547	2,262	1,172	853	315	1,013	1,163
Tax expense	(467)	(233)	(149)	(527)	(275)	(205)	(85)	(243)	(272)
Profit after tax	1,438	720	398	1,735	897	648	230	770	891
Non-controlling interests	(5)	-	(3)	(10)	(5)	(4)	-	(4)	(6)
Attributable profit	1,433	720	395	1,725	892	644	230	766	885
Average number of shares (millions)	1,779	1,784	1,658	1,586	1,753	1,784	1,784	1,588	1,586
Basic earnings per share (cents)	80.6	40.3	23.8	108.8	50.9	36.1	12.9	48.2	55.8
Dividend per share (cents)	40.3	19.1	0.0	51.1	17.9	12.6	0.0	0.0	17.0

Notes:

- Based on underlying performance at reported exchange rates unless indicated otherwise. See definitions in the supplementary information.
- FY 2019 / HY 2019 prepared on IAS17 basis.
- 2021-2023 reflect latest definition of underlying operating margin to include the share of results of associates (previously excluded).

Underlying cash flow

\$m	FULL YEAR				HALF YEAR				
	2022	2021	2020	2019	2023	2022	2021	2020	2019
Operating profit	2,033	1,107	719	2,402	1,251	903	391	1,096	1,234
Depreciation and amortisation	1,000	1,014	1,098	736	500	491	512	479	367
EBITDA	3,033	2,121	1,817	3,138	1,751	1,394	903	1,575	1,601
Net capital expenditure	(900)	(833)	(905)	(1,029)	(434)	(411)	(367)	(516)	(512)
<i>Capex % of revenue¹</i>	2.7%	3.4%	3.5%	3.2%	2.3%	2.6%	3.2%	3.2%	3.2%
Trade working capital	(203)	225	(183)	75	(201)	(191)	160	(389)	(108)
Lease payments of principal	(194)	(209)	(195)	-	(99)	(98)	(108)	(99)	-
Other	(7)	66	132	10	21	52	67	(17)	(13)
Operating cash flow	1,729	1,370	666	2,194	1,038	746	655	554	968
<i>Operating cash flow conversion</i>	85%	124%	93%	91%	83%	83%	168%	51%	78%
Net interest	(110)	(158)	(176)	(137)	(73)	(53)	(70)	(78)	(69)
Net tax	(425)	(273)	(292)	(419)	(237)	(179)	(81)	(273)	(201)
Other	(55)	(38)	74	(48)	(25)	(31)	(20)	36	(11)
Free cash flow	1,139	901	272	1,590	703	483	484	239	687
<i>Free cash flow conversion</i>	56%	81%	38%	66%	56%	53%	124%	22%	56%
Net debt	3,337	3,422	3,885	4,032	3,963	3,332	3,625	6,046	4,634
Net debt / EBITDA²	1.1	1.6	2.1	1.3	1.2	1.3	3.2	1.9	1.5

Notes:

- Based on underlying performance at reported exchange rates unless indicated otherwise. See definitions in the supplementary information.
- FY 2019 / HY 2019 prepared on IAS17 basis.

¹ Net capital expenditure as % of revenue.

² Net debt to underlying EBITDA. Some small variances to reported ratios are due to the numerator being translated at the balance sheet rate and the denominator being translated at the income statement rate.

Net debt

\$m	FULL YEAR	HALF YEAR	
	2022	2023	2022
Opening net debt	3,422	3,337	3,422
FCF (pre capex)	(2,039)	(1,137)	(894)
Net capex	900	434	411
Acquisitions and disposals	343	256	146
Other	(337)	224	(88)
Dividends	539	462	335
SBB	509	387	-
Closing net debt	3,337	3,963	3,332
Net debt / EBITDA¹	1.1	1.2	1.3

Notes:

• Based on underlying performance at reported exchange rates unless indicated otherwise. See definitions in the supplementary information.

¹ Net debt to underlying EBITDA. Some small variances to reported ratios are due to the numerator being translated at the balance sheet rate and the denominator being translated at the income statement rate.

A photograph of two chefs in a professional kitchen. The chef on the left is a woman with glasses and a black hairnet, wearing a white chef's coat and a striped apron. The chef on the right is a man with a black hairnet, wearing a white chef's coat with a name tag that reads "errick Wedlowe" and a striped apron. They are both looking down at a tray of ingredients on the counter. The counter is filled with various stainless steel bowls and trays containing fresh vegetables like carrots, bell peppers, and tomatoes, as well as cooked grains. In the background, there are stainless steel kitchen fixtures, including a range hood with a "GREENHECK" logo and a stove with several pans.

Supplementary Information

 COMPASS
GROUP

Geographic financials

Group

	FULL YEAR				HALF YEAR				
	2022	2021	2020	2019	2023	2022	2021	2020	2019
\$m									
Revenue	32,948	24,761	25,882	32,099	18,819	15,605	11,530	16,184	16,172
<i>Organic Growth</i>	37.5%	(6.3)%	(18.8)%	6.4%	24.7%	37.9%	(30.4)%	1.6%	6.6%
Operating profit	2,033	1,107	719	2,402	1,251	903	391	1,096	1,234
<i>Margin¹</i>	6.2%	4.5%	2.9%	7.4%	6.6%	5.8%	3.4%	6.7%	7.5%
<i>ROCE²</i>	16.0%	8.7% ³							

NA

	FULL YEAR				HALF YEAR				
	2022	2021	2020	2019	2023	2022	2021	2020	2019
\$m									
Revenue	21,912	15,250	16,333	20,029	12,691	10,278	6,958	10,365	9,976
<i>Organic Growth</i>	44.1%	(6.7)%	(18.5)%	7.7%	23.2%	47.9%	(32.8)%	3.6%	7.9%
Operating profit ¹	1,581	829	777	1,646	991	718	327	839	861
<i>Margin¹</i>	7.2%	5.4%	4.8%	8.2%	7.8%	7.0%	4.7%	8.1%	8.6%
<i>ROCE²</i>	22.3%	12.3% ³							

Notes:

Based on underlying performance. See definitions in the supplementary information.

¹ 2021-2023 reflect current definition of underlying operating profit and operating margin to include the share of results of associates (previously excluded).

² Some small variances to reported percentages are due to the numerator and denominator being translated at different rates.

³ Based on current definition of ROCE.

Geographic financials

Europe

\$m	FULL YEAR				HALF YEAR				
	2022	2021	2020	2019	2023	2022	2021	2020	2019
Revenue	7,588	6,337	6,469	8,156	4,228	3,713	3,047	4,086	4,208
Organic Growth	31.8%	(9.6)%	(24.0)%	5.2%	28.2%	28.3%	(32.8)%	(3.9)%	6.4%
Operating profit ¹	382	201	(37)	537	235	167	43	212	284
Margin ¹	5.0%	3.2%	(0.6)%	6.6%	5.6%	4.5%	1.4%	5.2%	6.8%
ROCE ^{2^}	7.8%	3.9% ³							

ROW

\$m	FULL YEAR				HALF YEAR				
	2022	2021	2020	2019	2023	2022	2021	2020	2019
Revenue	3,448	3,174	3,080	3,914	1,900	1,614	1,525	1,733	1,988
Organic Growth	14.8%	3.0%	(7.9)%	2.0%	27.9%	9.6%	(9.4)%	2.6%	1.0%
Operating profit ¹	180	177	120	296	85	76	71	95	122
Margin ¹	5.2%	5.6%	3.9%	7.6%	4.5%	4.7%	4.7%	5.5%	6.1%
ROCE ²	23.9%	22.5% ³							

OTHER

\$m	FULL YEAR				HALF YEAR				
	2022	2021	2020	2019	2023	2022	2021	2020	2019
Unallocated overheads	(110)	(100)	(109)	(102)	(60)	(58)	(50)	(54)	(49)
Share of results of associates	n/a	n/a	(32)	25	n/a	n/a	n/a	4	16

Notes:

Based on underlying performance and current regional structure. See definitions in the supplementary information.

¹ 2021-2023 reflect current definition of underlying operating margin and operating profit to include the share of results of associates (previously excluded).

² Some small variances to reported percentages are due to the numerator and denominator being translated at different rates.

³ Based on current definition of ROCE.

[^] Excluding goodwill rising from the Granada merger in 2000, ROCE would be 14.0% (2021: 7.3%)

Exchange rates

Rates used in retranslation

		Income Statement ¹				Balance Sheet ²			
FULL YEAR		2022	2021	2020	2019	2022	2021	2020	2019
		per \$	per \$	per \$	per \$	per \$	per \$	per \$	per \$
AUD	Australian Dollar	1.41	1.34	1.47	1.42	1.56	1.38	1.40	1.48
BRL	Brazilian Real	5.26	5.38	4.85	3.88	5.41	5.45	5.64	4.17
CAD	Canadian Dollar	1.28	1.27	1.34	1.33	1.37	1.27	1.34	1.32
EUR	Euro	0.92	0.84	0.89	0.89	1.02	0.86	0.85	0.92
TRY	Turkish Lira	14.43	8.11	6.51	5.61	18.54	8.88	7.70	5.65
GBP	Pound Sterling	0.78	0.73	0.78	0.78	0.90	0.74	0.77	0.81

		2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
HALF YEAR		per \$	per \$	per \$	per \$	per \$	per \$	per \$	per \$	per \$	per \$
AUD	Australian Dollar	1.50	1.38	1.34	1.50	1.40	1.49	1.33	1.31	1.63	1.41
BRL	Brazilian Real	5.22	5.36	5.52	4.34	3.82	5.07	4.75	5.64	5.19	3.89
CAD	Canadian Dollar	1.36	1.26	1.29	1.34	1.32	1.35	1.25	1.26	1.42	1.34
EUR	Euro	0.96	0.88	0.84	0.90	0.88	0.92	0.90	0.85	0.91	0.89
TRY	Turkish Lira	18.77	12.41	7.76	5.98	5.48	19.20	14.67	8.28	6.59	5.65
GBP	Pound Sterling	0.84	0.74	0.74	0.78	0.77	0.81	0.76	0.72	0.81	0.77

Notes:

¹ Income statement uses average monthly closing rates for the year to 30 September and the half year to 31 March.

² Balance sheet uses the closing rate as at 30 September for the full year and 31 March for the half year.

Exchange rates

Effect on full year 2022 revenue and profit

POUND STERLING

\$m cumulative change for an incremental 5 pence movement		
Exchange Rate	Revenue Change	Profit Change
1.03	(612)	13.3
0.98	(515)	11.2
0.93	(407)	8.9
0.88	(286)	6.2
0.83	(152)	3.3
0.78	-	-
0.73	173	(3.8)
0.68	370	(8.1)
0.63	600	(13.1)
0.58	868	(18.9)
0.53	1,187	(25.8)

CANADIAN DOLLAR

\$m cumulative change for an incremental 5 cents movement		
Exchange Rate	Revenue Change	Profit Change
1.53	(163)	(9.8)
1.48	(135)	(8.2)
1.43	(105)	(6.4)
1.38	(72)	(4.4)
1.33	(37)	(2.3)
1.28	-	-
1.23	41	2.5
1.18	84	5.2
1.13	132	8.1
1.08	185	11.3
1.03	242	14.8

EURO

\$m cumulative change for an incremental 5 cents movement		
Exchange Rate	Revenue Change	Profit Change
1.17	(699)	(40.4)
1.12	(584)	(33.8)
1.07	(458)	(26.5)
1.02	(320)	(18.5)
0.97	(168)	(9.7)
0.92	-	-
0.87	188	10.9
0.82	399	23.1
0.77	637	36.8
0.72	908	52.5
0.67	1,219	70.5

Notes:

- Cumulative revenue and operating profit change arising by restating the 2022 full year revenue and operating profit of the relevant currency for the incremental changes in exchange rates shown.
- Decrease in pound value against US\$ results in higher Group profit driven by decrease in GBP denominated central overheads (£86m/\$110m in 2022).

Exchange rates

Effect on full year 2022 revenue and profit

AUSTRALIAN DOLLAR

\$m cumulative change for an incremental 5 cent movement

Exchange Rate	Revenue Change	Profit Change
1.66	(169)	(10.8)
1.61	(139)	(8.9)
1.56	(108)	(6.9)
1.51	(74)	(4.7)
1.46	(38)	(2.5)
1.41	-	-
1.36	41	2.6
1.31	86	5.5
1.26	134	8.5
1.21	185	11.8
1.16	242	15.4

BRAZILIAN REAL

\$m cumulative change for an incremental 50 centavo movement

Exchange Rate	Revenue Change	Profit Change
7.76	(156)	(9.5)
7.26	(133)	(8.2)
6.76	(107)	(6.6)
6.26	(77)	(4.8)
5.76	(42)	(2.6)
5.26	-	-
4.76	51	3.1
4.26	114	7.0
3.76	193	11.9
3.26	297	18.3
2.76	438	27.0

TURKISH LIRA

\$m cumulative change for an incremental 1 lira movement

Exchange Rate	Revenue Change	Profit Change
19.43	(96)	(6.0)
18.43	(80)	(5.1)
17.43	(64)	(4.0)
16.43	(45)	(2.8)
15.43	(24)	(1.5)
14.43	-	-
13.43	28	1.7
12.43	60	3.8
11.43	97	6.1
10.43	142	9.0
9.43	196	12.4

Notes:

- Cumulative revenue and operating profit change arising by restating the 2022 full year revenue and operating profit of the relevant currency for the incremental changes in exchange rates shown.

Definitions

INCOME STATEMENT	
Underlying revenue	Revenue plus share of revenue of joint ventures.
Underlying operating profit	Operating profit excluding specific adjusting items*.
Underlying operating margin	Underlying operating profit divided by underlying revenue.
Organic revenue	Current year: Underlying revenue excluding businesses acquired, sold and closed in the year. Prior year: Underlying revenue including a proforma 12 months in respect of businesses acquired in the year and excluding businesses sold and closed in the year translated at current year exchange rates. Where applicable, a 53rd week is excluded from the current or prior year.
Organic operating profit	Current year: Underlying operating profit excluding businesses acquired, sold and closed in the year. Prior year: Underlying operating profit including a proforma 12 months in respect of businesses acquired in the year and excluding businesses sold and closed in the year translated at current year exchange rates. Where applicable, a 53rd week is excluded from the current or prior year.
Underlying finance costs	Finance costs excluding specific adjusting items*.
Underlying profit before tax	Profit before tax excluding specific adjusting items*.
Underlying income tax expense	Income tax expense excluding tax attributable to specific adjusting items*.
Underlying effective tax rate	Underlying income tax expense divided by underlying profit before tax.
Underlying profit for the year	Profit for the year excluding specific adjusting items* and tax attributable to those items.
Underlying profit attributable to equity shareholders (underlying earnings)	Profit for the year attributable to equity shareholders excluding specific adjusting items* and tax attributable to those items.
Underlying earnings per share	Earnings per share excluding specific adjusting items* and tax attributable to those items.
Net operating profit after tax (NOPAT)	Underlying operating profit excluding the operating profit of non-controlling interests, net of tax at the underlying effective tax rate.
Underlying EBITDA	Underlying operating profit excluding underlying impairment, depreciation and amortisation of intangible assets, tangible assets and contract-related assets.

* Specific adjusting items are acquisition-related charges, charges related to the strategic portfolio review, one-off pension charge, COVID-19 resizing costs and cost action programme charges, tax on share of profit of joint ventures, gains and losses on sale and closure of businesses and other financing items.

Definitions

BALANCE SHEET

Net debt	Bank overdrafts, bank and other borrowings, lease liabilities and derivative financial instruments, less cash and cash equivalents.
Net debt to EBITDA	Net debt divided by underlying EBITDA.
Capital employed	Total equity shareholders' funds, excluding: net debt; post-employment benefit assets and obligations; and investments held to meet the cost of unfunded post-employment benefit obligations.
Return on Capital Employed (ROCE)	NOPAT divided by 12-month average capital employed.

CASH FLOW

Capital expenditure	Purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment and investment in contract prepayments, less proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets.
Underlying operating cash flow	Net cash flow from operating activities, including purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment, proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets, repayment of principal under lease liabilities and share of results of joint ventures and associates, and excluding interest and net tax paid, post-employment benefit obligations net of service costs, cash payments related to the cost action programme and COVID-19 resizing costs, and acquisition transaction costs.
Underlying operating cash flow conversion	Underlying operating cash flow divided by underlying operating profit.
Free cash flow	Net cash flow from operating activities, including purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment, proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets, purchase of other investments, proceeds from sale of other investments, dividends received from joint ventures and associates, interest received, repayment of principal under lease liabilities and dividends paid to non-controlling interests.
Underlying free cash flow	Free cash flow excluding cash payments related to the cost action programme and COVID-19 resizing costs, and acquisition transaction costs.
Underlying free cash flow conversion	Underlying free cash flow divided by underlying operating profit.
Underlying cash tax rate	Net tax paid included in net cash flow from operating activities divided by underlying profit before tax.