

Compass Group

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Compass Group adds Swedish chefs to its roster with €475m Fazer buy

Catering giant Compass Group PLC (LON:CPG) is acquiring Nordic food specialist Fazer Group for cash and debt of approximately €475m.

Fazer supplies more than 1,000 restaurants across Scandinavia and Finland, serving 500,000 meals a day on average with annual turnover of €593m. The consideration will be €420m in cash payable upfront and a deferred amount over seven years.

READ: RBC downgrades Compass as future direction becomes less clear
 Dominic Blakemore, Compass' chief executive, said: "Fazer Food Services is a highly regarded food service business in the Nordic region, and like Compass, is focused on high-quality food, culinary innovation, sustainability and great customer service."

In a note to clients, analysts at UBS commented: "Our first impression is that the acquisition of Fazer Food Services is a positive for the Compass investment case although benefits likely seen from 2020."

The Swiss bank repeated a 'buy' rating and 1,910p price target on Compass shares which in afternoon trading were 0.8% lower at 1,843.50p.

-- Adds analyst comment, share price --

Price: 1926.5

Market Cap: £30.56 billion

1 Year Share Price Graph



Share Information

Code: CPG

Listing: LSE

52 week	High	Low
	2150	1467.5

Sector: Leisure, gaming and gambling

Website: www.compass-group.com

Company Synopsis:

Compass Group is a market leader in providing food and a range of selected support services to customers in the workplace, in schools and colleges, in hospitals, at leisure or in remote environments.

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