

## Trading update for the 11 months to 30 November 2025

### Capita plc (Capita)

We are today providing an update on trading in the 11 months to 30 November.

The Group's adjusted revenue performance was broadly consistent with the first half performance. Capita Public Service (63% of Group revenue) grew 4.0% with revenue growth in the second half moderating slightly, compared to the first half, reflecting some client driven revenue delays. Contact Centre (23% of Group revenue) adjusted revenue declined by 18.3% reflecting the impact of previously announced contract losses and volume reductions, particularly in the telecommunications vertical.

Pension Solutions (8% of Group revenue) delivered improved growth in the second half of the year, as expected, with a year-to-date growth of 1.5%. Regulated Services (6% of Group revenue) reduced 14.3% reflecting the agreed contract hand backs in this business unit as we finalise our planned exit from this sector. This morning, we have separately announced the transition agreement for the final two contracts, with the remaining customer, in the closed book Life & Pensions business<sup>1</sup>.

From a full year perspective, we now expect growth in Capita Public Service to be slightly below mid single digit, a high teen digit reduction in Contact Centre and low single digit growth in our Pension Solutions business. Our guidance on margin improvement, free cash flow (including the £14m previously announced Information Commissioner's Office (ICO) settlement) and debt, together with our medium-term targets, remain unchanged.

We have achieved significant progress against the strategic priorities we laid out at the start of the year as we build a Better Capita:

- Delivered our targeted £250m of annualised cost savings, enhancing cost competitiveness across the organisation, enabled and supported by our AI investment and strategy;
- Launched our AI Catalyst Stack operationalising AI at scale and underpinning our ambition to become the first AI-enabled business process outsourcer;
- Agreed a settlement with the ICO relating to the March 2023 cyber incident;
- Signed the final transition agreement for the remaining closed book Life & Pensions contracts.

In the second half of 2025, we've seen a significant increase in the Group's unweighted contract pipeline, with total contract opportunities across all divisions now valued at £16.5bn, up 41% from the half year. This represents the highest level the Group's unweighted pipeline has been for several years. Of this, £3.5bn relates to opportunities which have a strong technology component.

Our new AI&PO organisation launched an AI Catalyst Lab, focussing on 12 initial areas spanning customer service, knowledge management, training, and operational support. Agents are now embedded across Microsoft and Salesforce platforms with more than 130 agents now active, and since its launch earlier this year, the Catalyst Lab has received more than 550 opportunities and use cases, helping the business prioritise and shape future innovation.

In recent months, we also launched our AI Catalyst Stack for customers which leverages our operational expertise and hyperscaler partnerships to embed AI in mission-critical services, driving faster transformation, reducing costs, and improving outcomes for citizens and customers.

#### **Adolfo Hernandez, Chief Executive Officer, Capita said:**

“We are very pleased to have announced today an agreement for the transition of the remaining two legacy evergreen closed book Life & Pensions contracts to Royal London. This was a key priority for 2025 and a key element of our “manage for value” strategy.

I am also pleased to report significant progress against our strategic priorities, including delivering £250m of annualised cost savings, the continued strength from our AI Catalyst Lab and the recent launch of the Capita AI Catalyst Stack which operationalises AI at scale.

“While some challenges remain, we are making good progress and continue to work hard to build a Better Capita.”

#### **Notes:**

1. The closed book Life & Pensions business has now met the criteria to be treated as a business exit and from the year end its results will be excluded from the Group's adjusted results. To enable like-for-like comparison of adjusted results, the comparatives will be re-presented to also exclude the closed book Life & Pensions business. The numbers presented above include the performance of the closed book Life & Pensions business.

#### **For more information, please contact:**

##### **Investor enquiries**

Helen Parris, Director of Investor Relations

Tel: 07720 169 269

Email: [IRteam@capita.co.uk](mailto:IRteam@capita.co.uk)

Stephanie Little, Head of Investor Relations

Tel: 07541 622 838

Email: [IRteam@capita.co.uk](mailto:IRteam@capita.co.uk)

**Media enquiries**

Capita external communications

Tel: 0207 654 2399

Email: [media@capita.co.uk](mailto:media@capita.co.uk)

**About Capita plc**

Capita is a modern outsourcer, helping clients across the public and private sectors run complex business processes more efficiently, creating better consumer experiences. Operating across eight countries, Capita's 34,000 colleagues support primarily UK and European clients with people-based services underpinned by market-leading technology. We play an integral role in society - our work matters to the lives of the millions of people who rely on us every day.