

The Intertek logo consists of the word "Intertek" in white, sans-serif font, enclosed within a dark blue rounded rectangular box.

Valued Quality. Delivered.

2010 Full Year Results Presentation

7 March 2011

Wolfhart Hauser

Chief Executive Officer

Lloyd Pitchford

Chief Financial Officer

Cautionary statement regarding forward-looking statements

This presentation contains certain forward-looking statements with respect to the financial condition, results, operations and business of Intertek Group plc. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Nothing in this presentation should be construed as a profit forecast.

7 March 2011

Results presentation agenda

Introduction

Acquisition of Moody

Financials

**Business Update
And Conclusion**

**Vanni Treves
Chairman**

**Wolfhart Hauser
Chief Executive Officer**

**Lloyd Pitchford
Chief Financial Officer**

**Wolfhart Hauser
Chief Executive Officer**

Intertek

Acquisition of Moody

7 March 2011

Wolfhart Hauser

Chief Executive Officer



- Becoming a leading provider of quality & safety services for the global energy market
- An important step in the ongoing development of Intertek
- Adds £293m revenue and 2,500 people in 60 countries
- Strategic deal with strong financial returns

The Transaction

- £450m cash
- All funded by debt
- Immediate EPS accretion



2,500 People
60 Countries, 80 Offices

Industry Services
87% Revenue

System Certification
13% Revenue

Technical Inspection

Asset Integrity

Expert Consulting

System Certification

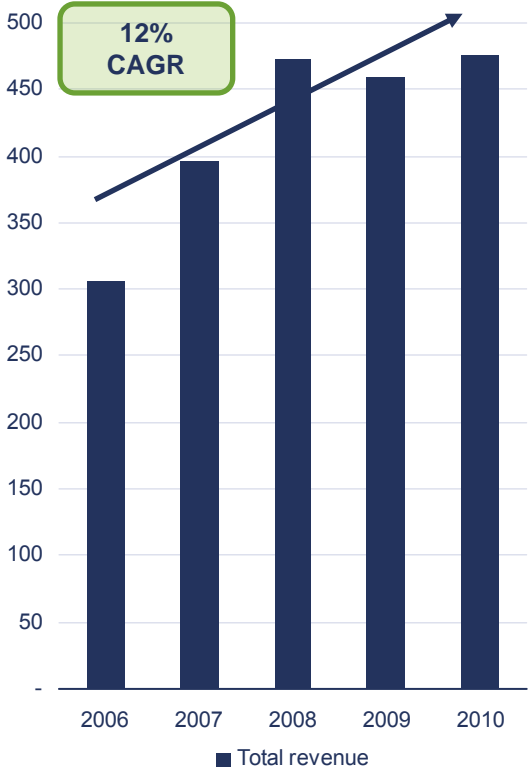
Inspection
Technical Auditing
Expediting
Supervision
Assessments

Inspection
Risk Assessment
Data Analysis

Safety Training
Welding & Materials Training
Placement of Experts

ISO 9000/14000
Risk-based Auditing
Food & Auto
> 30,000 Certificates

Revenue (\$m)



Complementary coverage



2010 Revenue (£)	
Moody	254m
Intertek	63m
Total	£317m

Achieving total global coverage



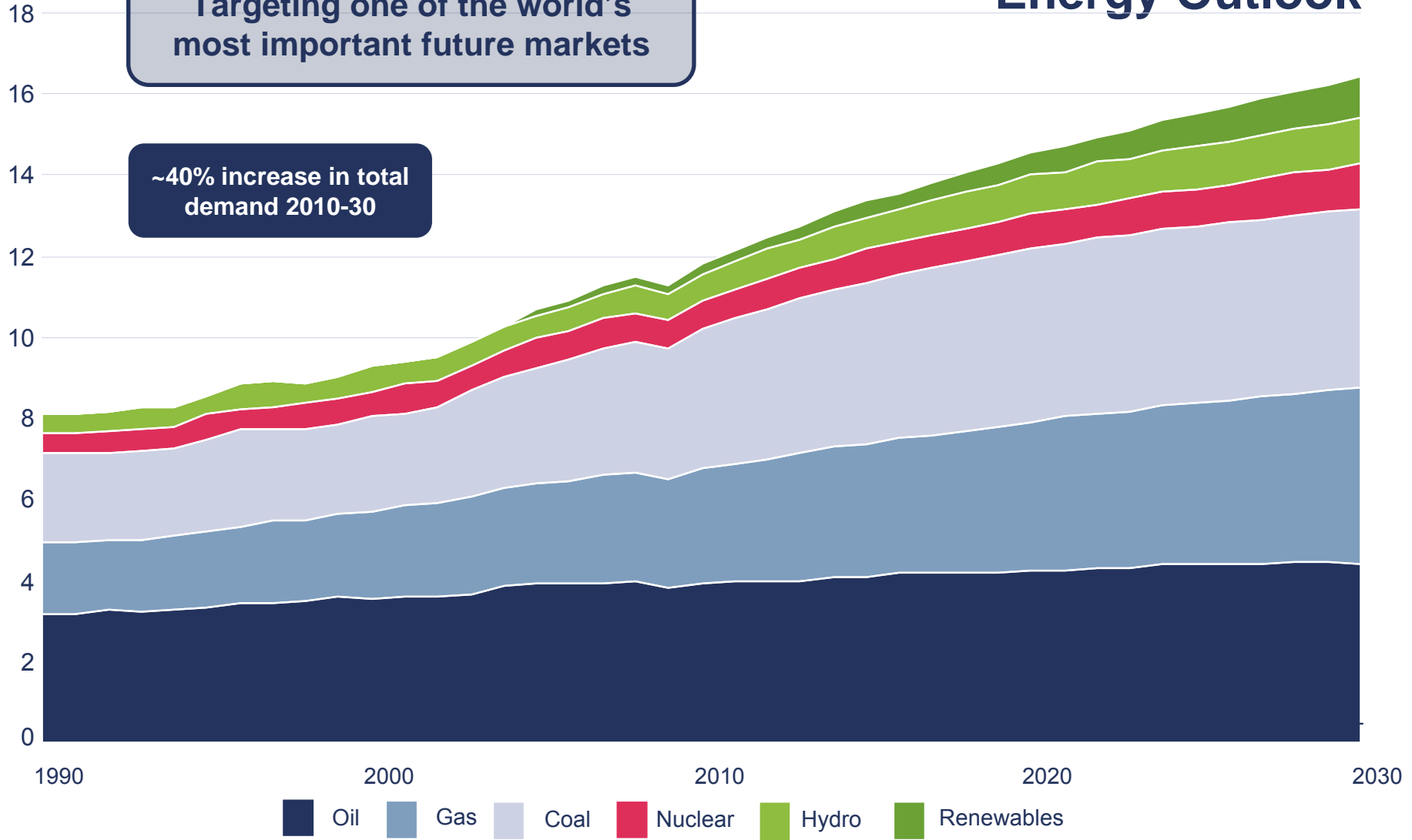
2010 Revenue (£)	
Moody	39m
Intertek	23m
Total	£62m

Billion tonnes of oil equivalent

Energy Outlook

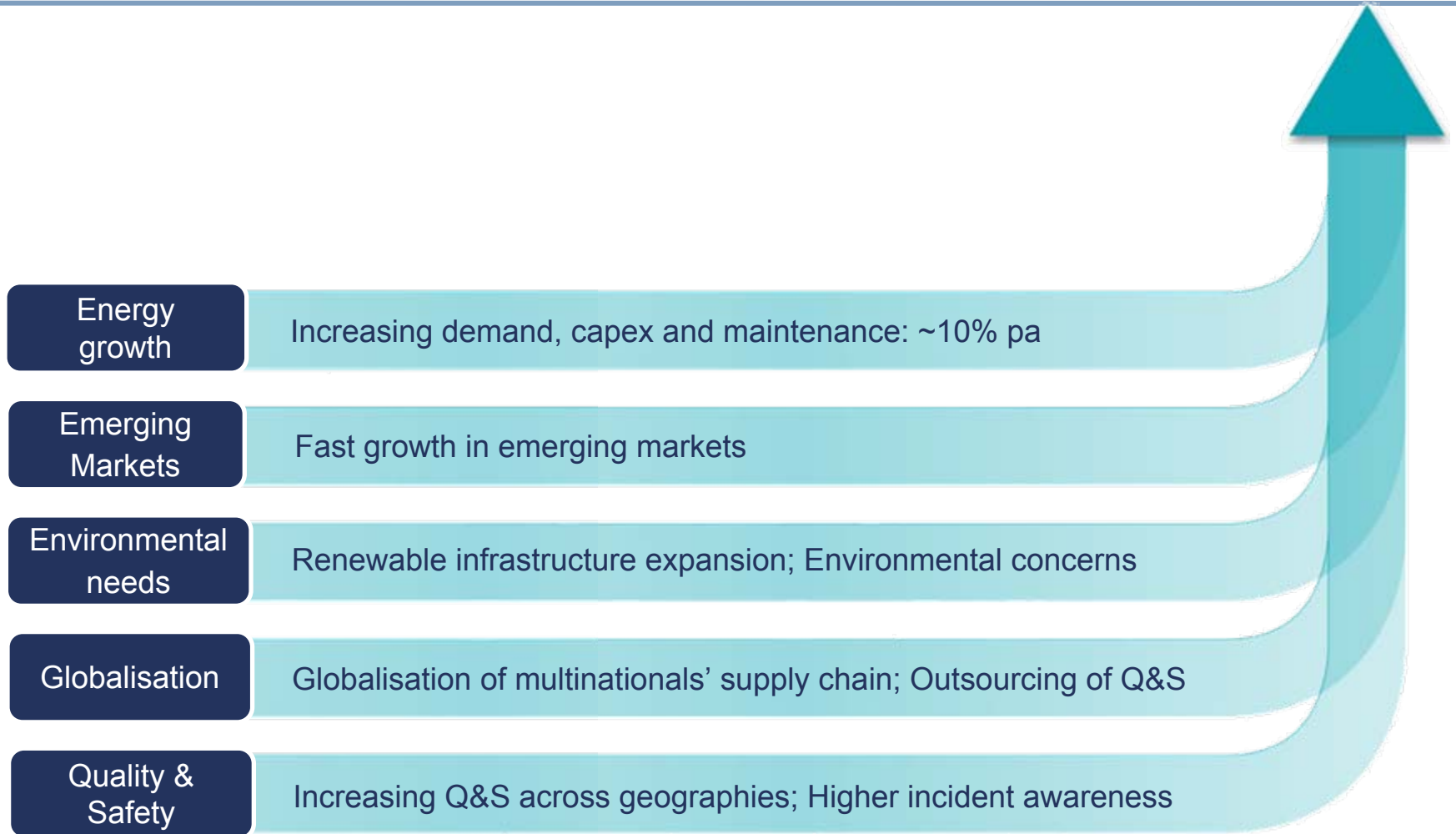
Targeting one of the world's most important future markets

~40% increase in total demand 2010-30



Notes: 1. Includes biofuels. Source: BP Energy Outlook 2030

Energy demand growth¹



Energy growth

Increasing demand, capex and maintenance: ~10% pa

Emerging Markets

Fast growth in emerging markets

Environmental needs

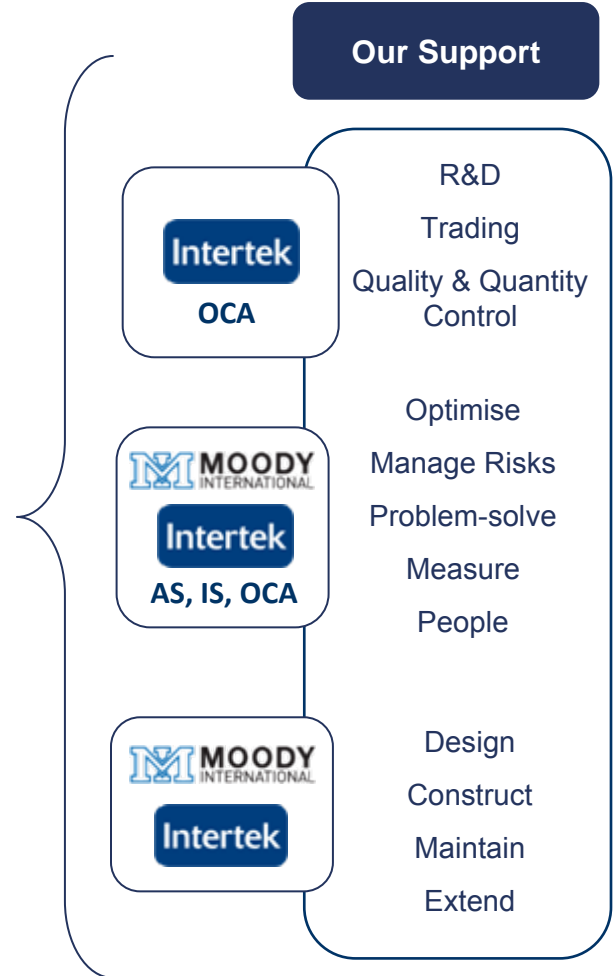
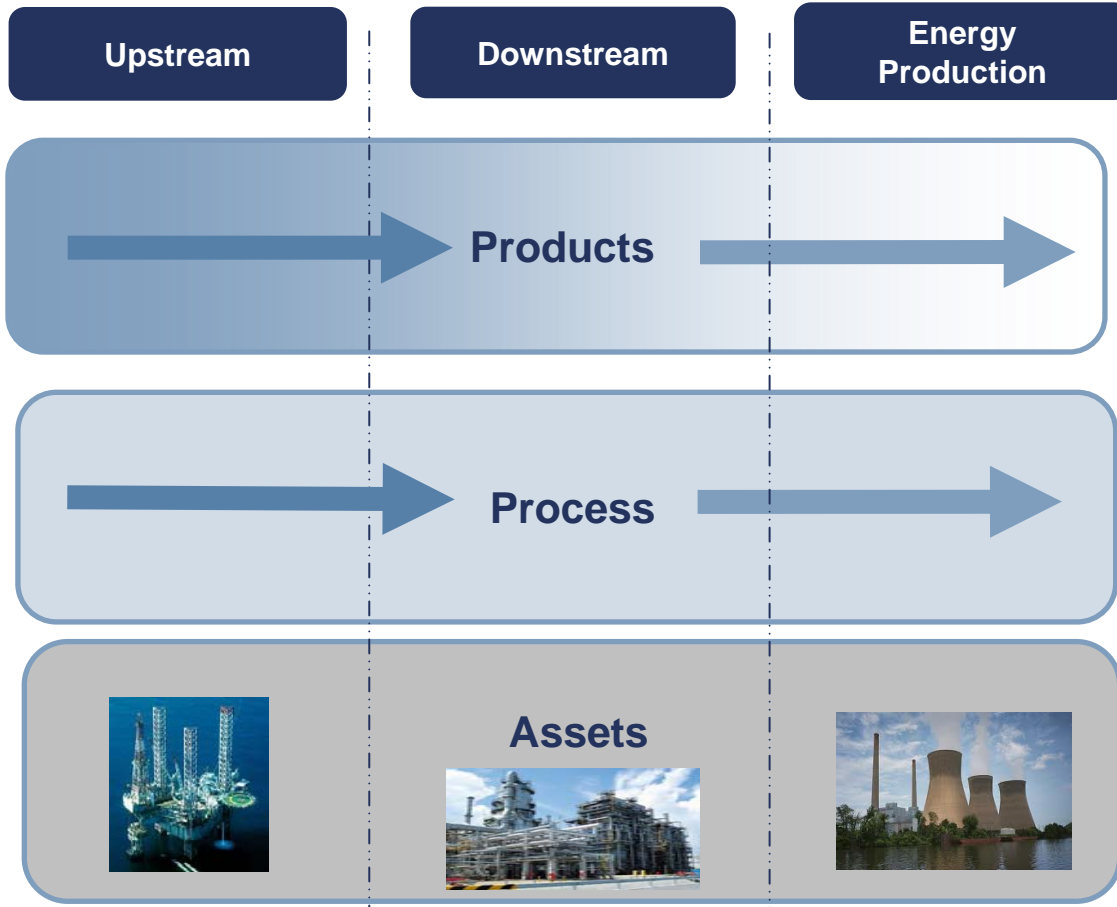
Renewable infrastructure expansion; Environmental concerns

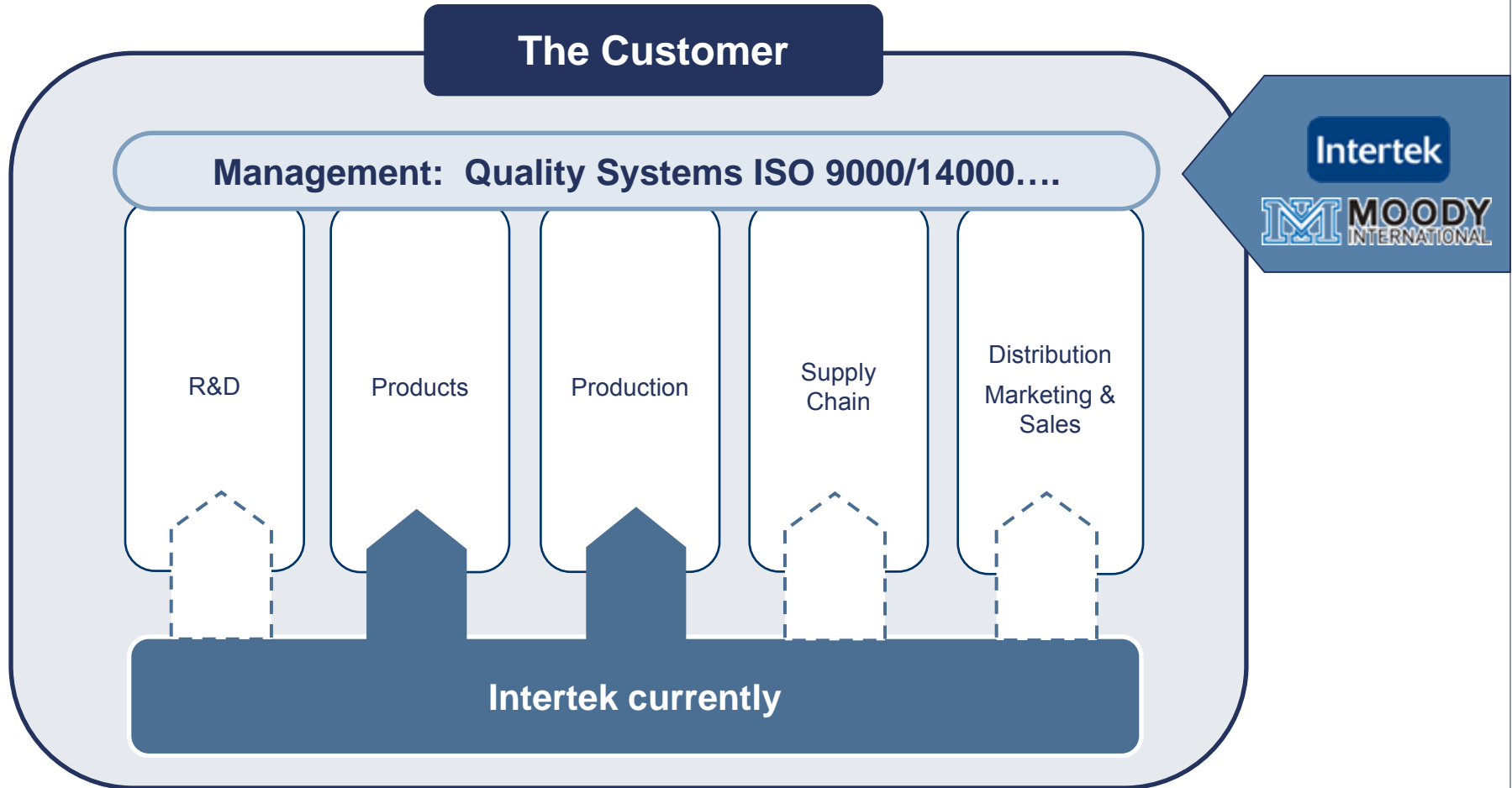
Globalisation

Globalisation of multinationals' supply chain; Outsourcing of Q&S

Quality & Safety

Increasing Q&S across geographies; Higher incident awareness





- Intertek assumes a leadership position in quality and safety services for the global energy market
- Stronger service portfolio to be leveraged across the Intertek-client base
- Increase penetration of existing and new clients in Systems Certification
- Immediate value generation
- Diversification of Group portfolio with balanced exposures to growth



Intertek

Lloyd Pitchford

Chief Financial Officer

Financial Performance

2010 Full Year Results Presentation

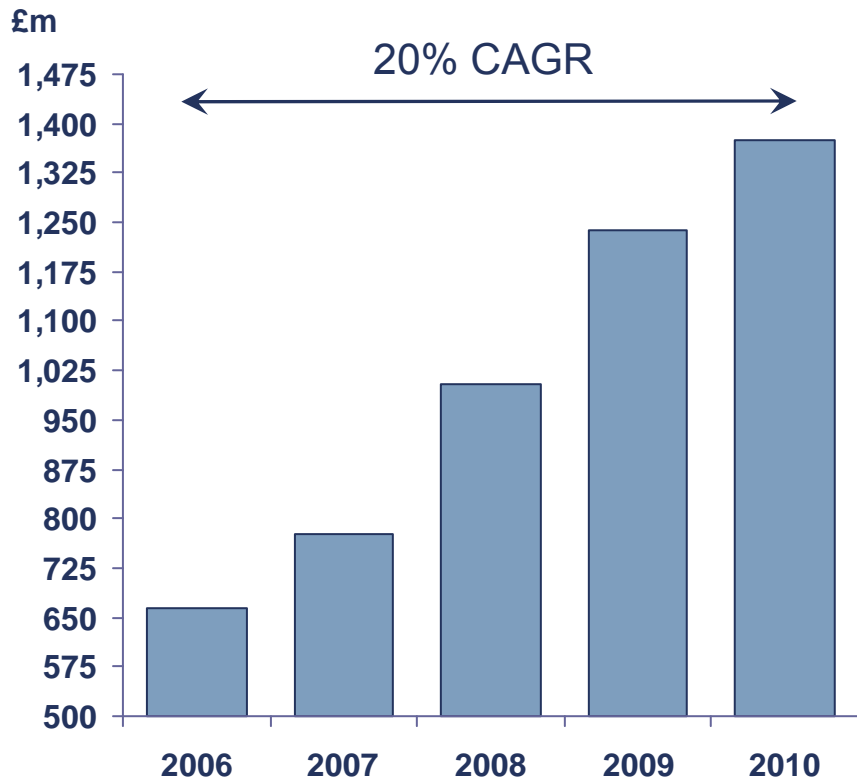


- Strong results; capturing recovering growth
- Organic revenue growth of 7.7%
- Operating margin 16.6%
- Cash conversion of 96%
- EPS and dividend up 10%

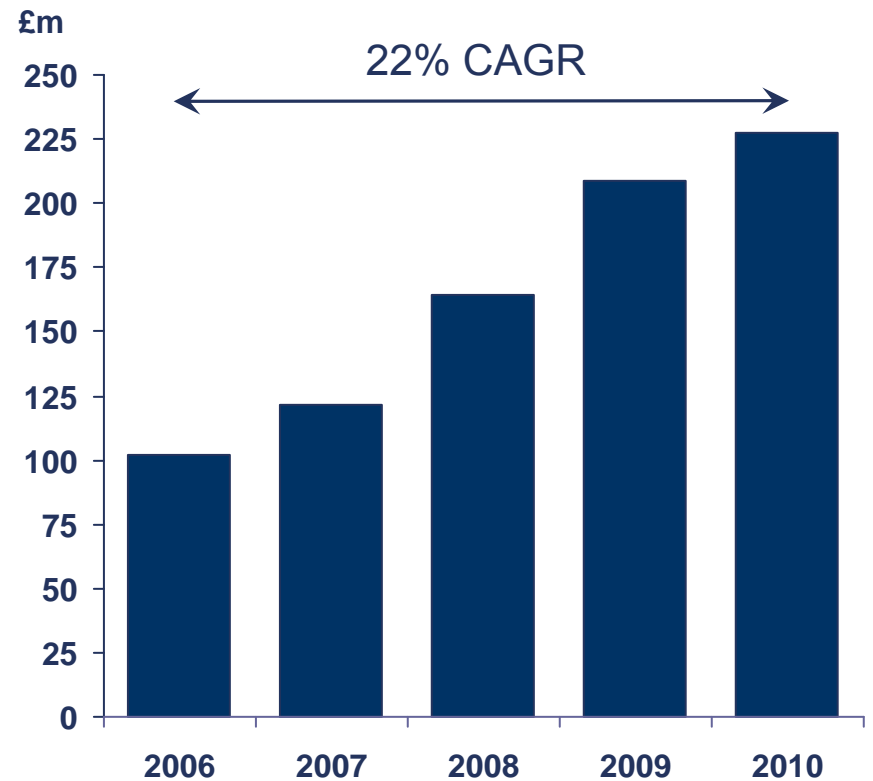


A strong and consistent growth record

Revenue



Operating profit (adjusted)



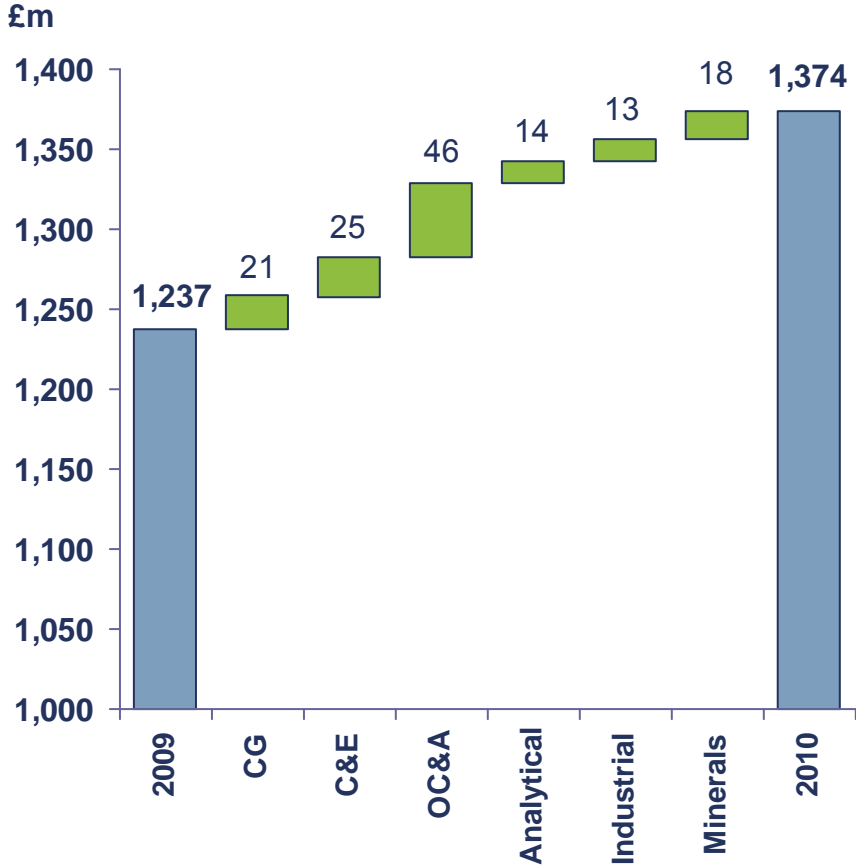
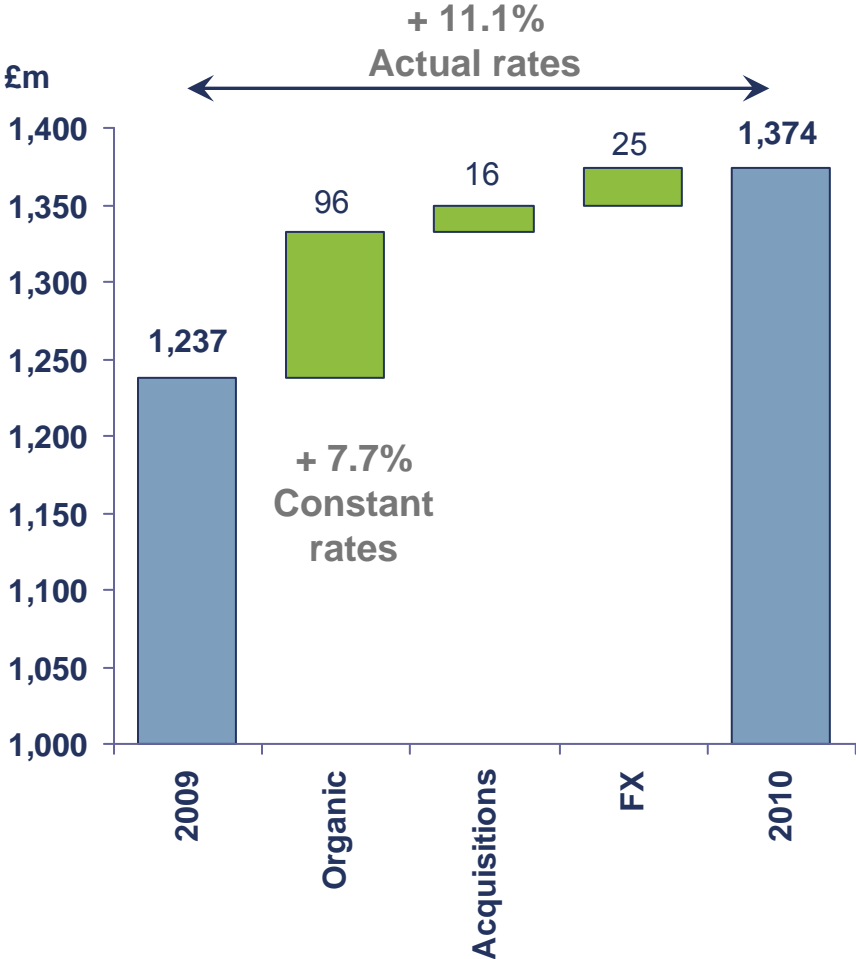
For the twelve months to 31 December 2010

Revenue	£1,374.2m	+11.1% at actual +7.7% at constant organic
Operating profit ¹	£227.5m	+8.9% at actual +5.9% at constant organic
Operating profit margin ¹	16.6%	-30bps at actual -30bps at constant organic
Profit before tax ¹	£211.9m	+10.6%
Diluted adjusted EPS ¹	89.4p	+9.7%
Operating cash flow	£271.4m	-2.5%

1. Before separately disclosed items

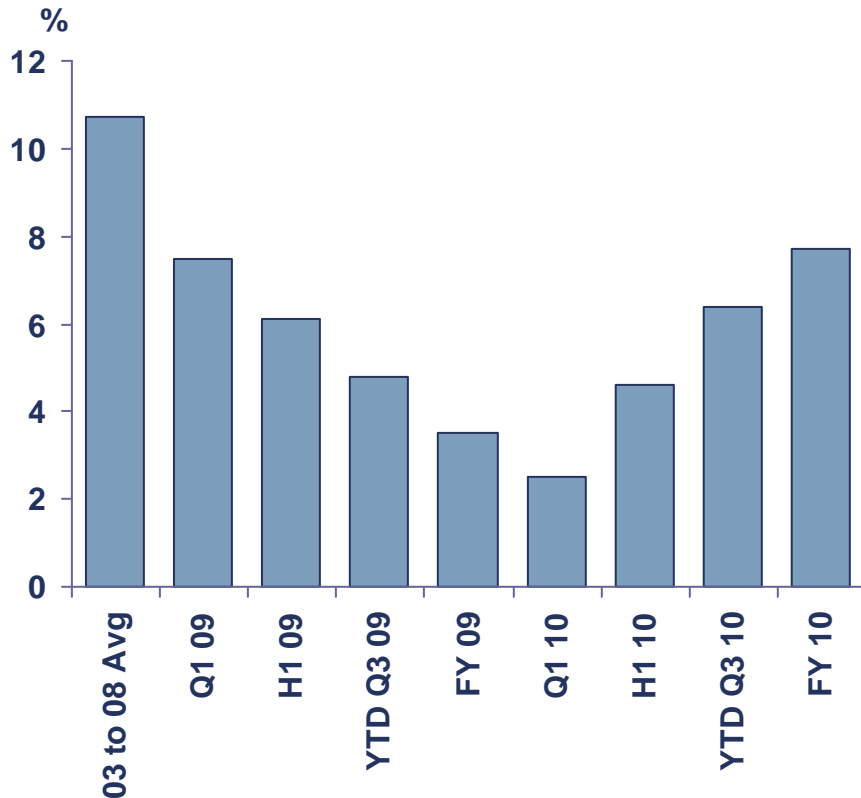


Revenue growth



Organic revenue growth

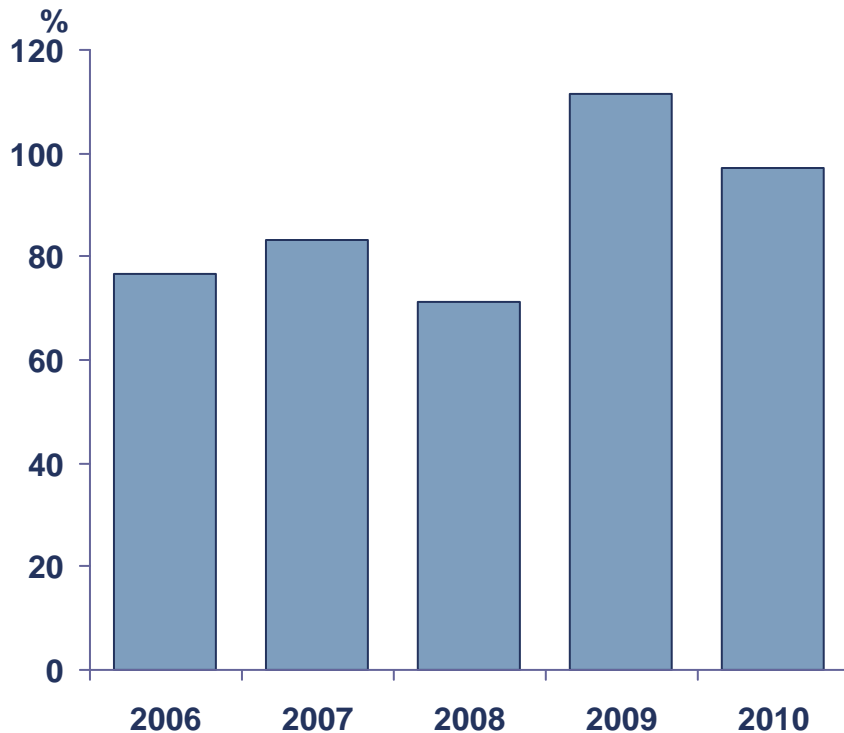
Organic revenue growth *



* Constant currency. YTD at each quarter

- Resilient business model
- Rapid return to strong growth
- “Intertek as One” supporting revenue growth

* Cash conversion %



* $\text{cash flow from operations} / \text{EBITDA}$

Days Sales Outstanding (DSO)

DSO	72	70	69	62	64

- EBITDA conversion: 96%
- DSO 64 days
- Cash flow from ops: £271m
- Capex: £66m;
4.8% of revenue
- Seven acquisitions: £42m

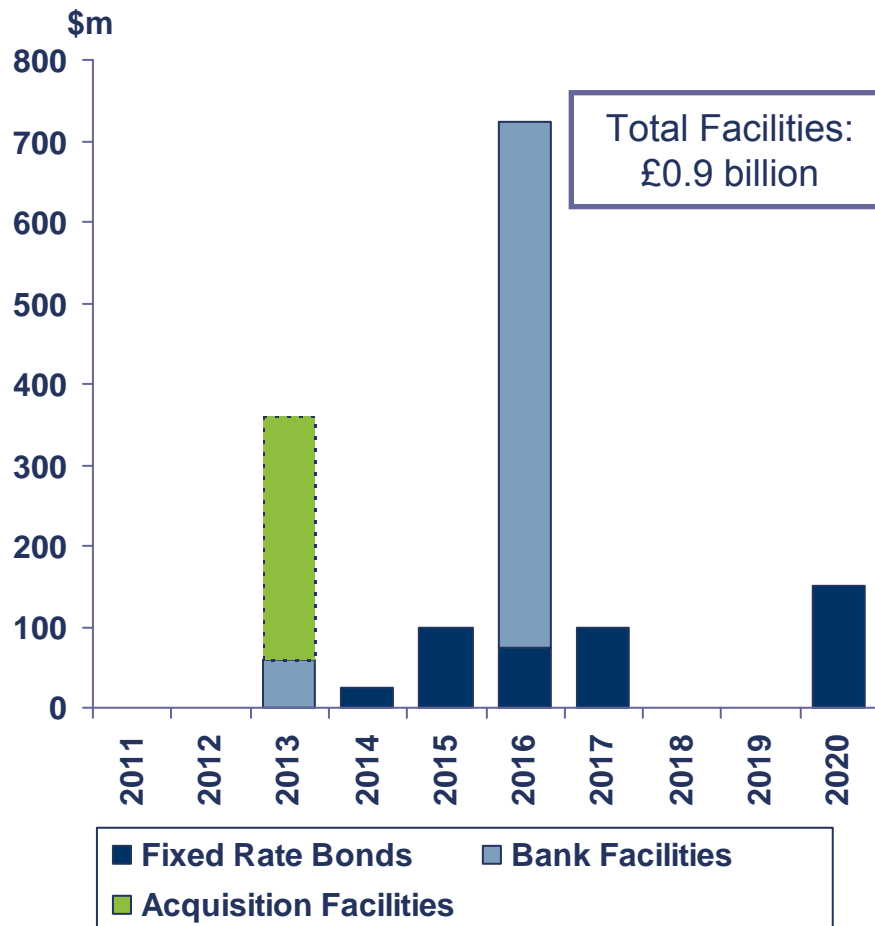
- Interest charge of £15.6m¹, down £1.9m
- Effective tax rate of 26.7%¹
- Net debt of £169.7m: 0.6x EBITDA
- Separately disclosed items: £22.0m (2009 £22.3m)
- 10% increase in full year dividend

¹ Before separately disclosed items



- Completion expected Q2
- Price: c \$730m at completion
- Valuation
 - In line with recent similar TIC transactions
 - 2009 EBITA \$66m; 11.1x
 - 2010 EBITA \$54m; 13.4x
- Value
 - 3.5% transaction and integration costs in 2011
 - \$10m cost synergies p.a. by 2013
 - EPS: 2011 accretive; strong long term accretion

Facility Maturity Profile



- Net debt: EBITDA of 0.6
- New facilities:
 - \$250m bonds (7,10 yrs)
 - \$600m bank facility (5 yrs)
 - £30m bank facility (5 yrs)
 - \$300m acquisition facility (2 yrs)
- Continued financial strength to support growth

- Intertek margin outlook pre-acquisition
 - 100 – 150 bps by 2013
 - Organisational alignment
 - Back office efficiencies
 - Scale benefits
- Outlook post acquisition of Moody
 - 2011 margin broadly similar to 2010
 - Post transaction synergies and improving energy market
 - Enlarged Group up 100 – 150 bps by 2014
- Outlook: high single digit organic revenue growth and margin progression

Consumer Goods

Textiles
Toys & Consumer
Healthcare & Beauty

Commercial & Electrical

Medical
IT & Telecoms
Home Appliances
Building Products
HVAC and Automotive

Commodities

(Oil, Chemical & Agri)

Oil & Gas
Minerals
Government Services

Industry & Assurance

(Industrial Services)

Food & Agriculture
Industrial Services
Systems Certification

Chemical & Pharma

(Analytical Services)

Chemicals & Materials
Pharmaceutical & Healthcare
Health, Safety & Environment

- Strong results; capturing recovering growth
- Strongly financed
- Moody acquisition
- Positive outlook for high single digit organic revenue growth



Intertek

Wolfhart Hauser

Chief Executive Officer

Operating Performance
2010 Full Year Results Presentation



Growth from new technology

1980

1 Standard
50 hrs testing

8 Standards
250 hrs testing

2010

**Electrical &
Mechanical
Safety:** BS 3456 Part 2



Electrical Safety: BS EN 60335-2-7

Mechanical Safety: BS EN 60335-2-7

EMC: BS EN55014-1; BS EN55014-2;
BS EN61000-3-2; BS EN61000-3-3;

Chemicals: BS EN 62321

Waste: BS EN 50419

Labelling: BS EN60456

Energy Efficiency: BS EN60456

Growth through supply chain complexity

Produced in 3 Countries

- Sold in 10
- 150 components
- Local sourcing

2010

Produced in 6 Countries

- Sold in 30
- ≈ 500 components
- Global sourcing

1980

Compliance Testing
(1 Standard per country)



Performance Testing & Consulting for R&D and sales differentiation

Auditing suppliers for **Ethics, Environment, Quality Systems**

Advising on new market entry rules: **Global market access certification program**

Training on new regulations & standards

Consulting for **Hazardous substances** programme

2010 - 2020



?

Appliance communicates with the grid over internet & telephony

Telecom technology and wireless communication

Smart functionality responds to individual user habits for improved energy & water efficiency

Ongoing development of safety & environmental standards

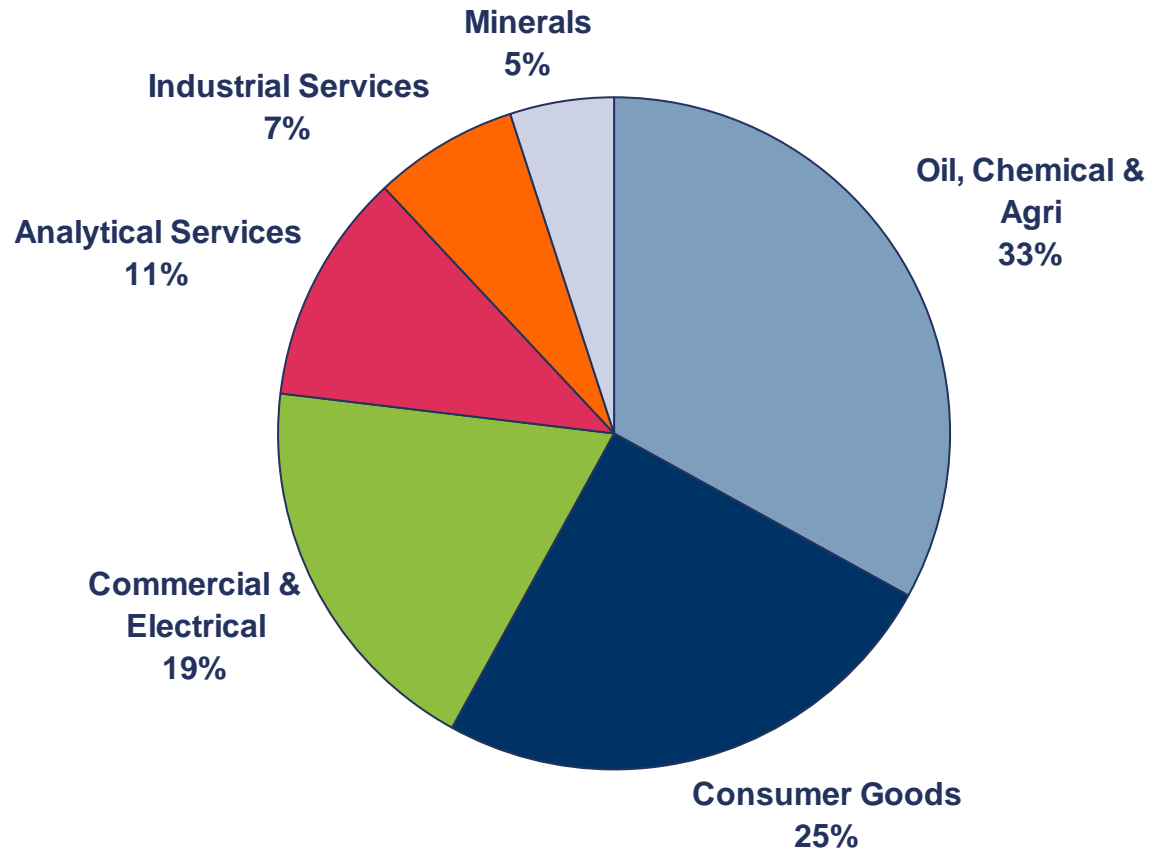
Media scrutiny of technology failures, product recalls & environmental breaches

Carbon foot print

?

?

2010 FY revenue by division



Review of 2010 and outlook

£m @ constant exchange rates	2010	Change	Organic change
Revenue	341.5	5.2%	5.2%
Operating profit	109.2	1.8%	1.8%
Margin	32.0%	(110)bps	(110)bps

- Textiles testing continued growth
- Toys testing back to strong and steady growth in 2H
- Inspection and food testing also grew well with improving margins

- Increasing quality and safety concerns on children's and consumer goods
- Increasing product variety
- Emerging market consumers

Review of 2010 and outlook

£m @ constant exchange rates	2010	Change	Organic change
Revenue	269.2	7.8%	7.8%
Operating profit	38.2	7.0%	7.0%
Margin	14.2%	(10)bps	(10)bps

- Medical appliances, lighting, HVAC - strong growth
- Alternative energy / energy storage contributing well
- Building products decline

- New product development
- Energy efficient products
- Market share gains

Review of 2010 and outlook

£m @ constant exchange rates	2010	Change	Organic change
Revenue	452.7	8.7%	8.0%
Operating profit	51.0	12.3%	11.0%
Margin	11.3%	40bps	30bps

- Emerging markets fastest growth
- End of year improvement in USA, especially higher margin testing
- Government Services and Agri performing well

- Emerging economies demand for oil
- Alternative fuels
- Increasing global trade flows in agri, oil and petrochemical

Review of 2010 and outlook

£m @ constant exchange rates	2010	Change	Organic change
Revenue	151.5	10.3%	6.3%
Operating profit	14.5	0.0%	1.4%
Margin	9.6%	(100)bps	(50)bps

- Growth in chemicals and materials
- Decline in pharma
- Two new outsourcing deals at low initial margins

- Penetration of in-house laboratories
- New lighter, stronger advanced materials, technologies and complexity
- Biologics (macro-molecules), bio-similars

Review of 2010 and outlook

£m @ constant exchange rates	2010	Change	Organic change
Revenue	93.8	14.1%	7.4%
Operating profit	7.3	9.0%	0.0%
Margin	7.8%	(40)bps	(30)bps

- Strong 2H revenue acceleration
- Good growth for SC and H&E
- 2H sequential margin improvement

- Growth from Moody acqn
- Full bid pipeline
- Rising oil price and energy demand driving capex and opex
- Systems certification now with global scale

Review of 2010 and outlook

£m @ constant exchange rates	2010	Change	Organic change
Revenue	65.5	25.0%	25.0%
Operating profit	7.3	65.9%	65.9%
Margin	11.1%	270bps	270bps

- Rapid ramp up in year
- New contracts on new mining capex
- Higher Asia trade inspection
- Improving laboratory utilisation rates

- Economic growth, especially from emerging economies
- Increasing demand and price of minerals

A New Leadership Position



Appendix



Adjusted operating profit

£m @ actual exchange rates	2010	2009
Adjusted operating profit ¹	227.5	209.0
Amortisation of acquisition intangibles	(12.9)	(12.8)
Acquisition and integration costs	(5.3)	(2.5)
Claims and settlements	(2.8)	(3.8)
Restructuring costs	-	(3.2)
Statutory operating profit	206.5	186.7

1. Before separately disclosed items

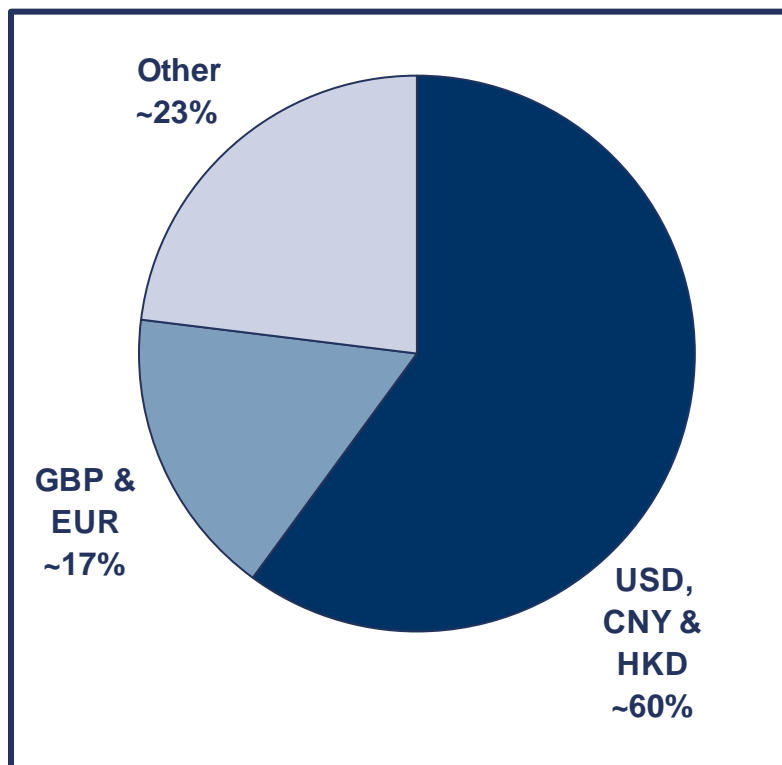
£m @ actual exchange rates	2010	2009
Statutory operating profit	206.5	186.7
Net interest expense	(15.6)	(17.5)
Fair value of interest rate swaps	(1.0)	-
Profit before tax	189.9	169.2

£m @ actual exchange rates	2010	2009
Profit before tax	189.9	169.2
Tax	(50.9)	(45.5)
Profit after tax	139.0	123.7
Reported tax rate	26.8%	26.9%
Effective tax rate on adjusted operating profit	26.7%	26.7%

£m @ actual exchange rates	2010	2009
Operating cash flow	271.4	278.4
Net interest	(15.4)	(16.1)
Taxation	(61.7)	(59.6)
Capital expenditure	(65.1)	(52.5)
Free cash flow	129.2	150.2

£m @ actual exchange rates	2010	2009
Borrowings	386.7	335.6
Cash	(217.0)	(134.2)
Net debt	169.7	201.4
<i>Net debt to EBITDA (LTM)</i>	<i>0.6x</i>	<i>0.8x</i>

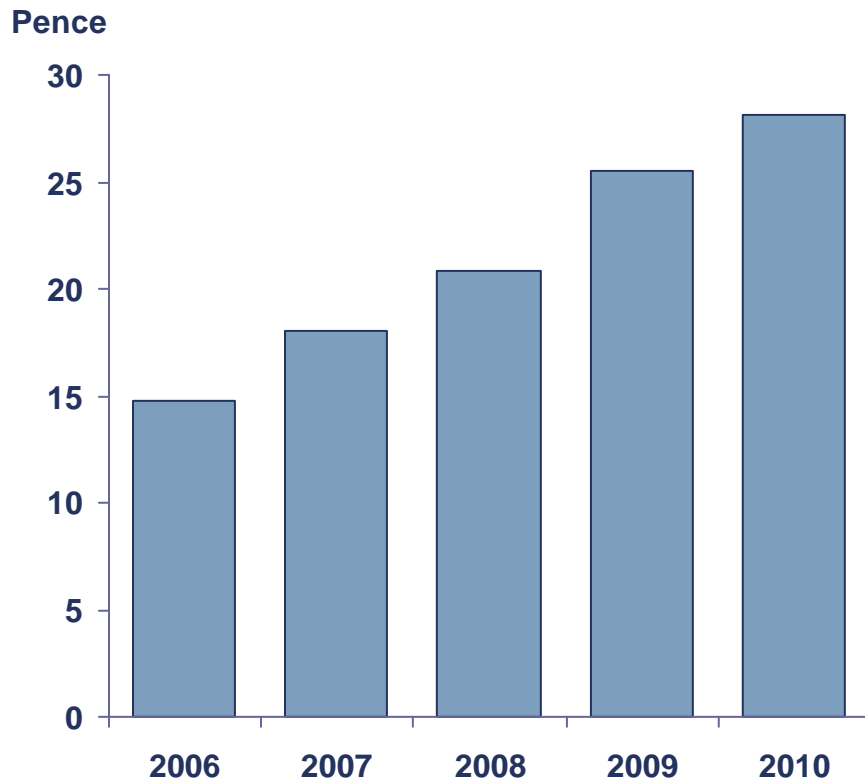
Revenue by currency



Cumulative average exchange rates

Value of local currency	FY 2010	FY 2009
USD →	1.55	1.56
HKD →	12.00	12.06
CNY ↑	10.47	10.63
AUD ↑	1.69	1.99
CAD ↑	1.60	1.77
EUR ↓	1.17	1.12

Full year dividend per share



- Full year dividend of 28.1p; up 10%
- Final dividend of 18.8p
- Progressive approach to dividend increases