4 AUGUST 2014
2014 HALF YEAR RESULTS ANNOUNCEMENT

Intertek Group plc ("Intertek"), a leading international provider of quality solutions, announces its half year results for the period ended 30 June 2014.

Adjusted results [1]	2014	2013	Change at constant currency	Change at actual rates	Organic change at constant currency
Revenue	£1,024.3m	£1,084.7m	2.9%	(5.6)%	(0.5)%
Operating profit	£152.3m	£158.3m	5.1%	(3.8)%	0.8%
Operating margin	14.9%	14.6%	30bps	30bps	20bps
Profit before tax	£140.9m	£145.3m	6.7%	(3.0)%	
Diluted earnings per share	61.2p	61.9p	8.6%	(1.1)%	

1. Adjusted results are stated before separately disclosed items. See Presentation of Results and note 3 to the Interim Financial Statements.

Statutory results	2014	2013	Change
Operating profit	£131.2m	£140.9m	(6.9)%
Profit before tax	£119.8m	£127.9m	(6.3)%
Diluted earnings per share	51.3p	53.5p	(4.1)%
Interim dividend per share	16.0p	15.0p	6.7%

Financial Highlights

- Constant currency revenue up 2.9%; including acquisitions adding 3.4%; constant currency organic revenue down 0.5%
- Operating margin[1] up 30bps
- Constant currency diluted EPS[1] up 8.6%
- Cash flow from operations[1] up 20%
- Interim dividend up 6.7%

Operating Highlights

- Industry & Assurance reflects strategic exit from low-value contracts (reduced Group organic growth rate by 1.5%) and customer delays in the phasing of capital project work
- Good growth in Commercial & Electrical and Consumer divisions, including very strong growth in newer sourcing countries
- Commodities showed good progress in oil cargo in Asia and US shale activities; continued double-digit declines in Minerals including Indonesian export ban
- Progress on profit-enhancing restructuring; £9.7m cost in the half

Wolfhart Hauser, Chief Executive Officer, commented:

"Intertek delivered good growth in our product-related divisions, but continued to see headwinds in our minerals and energy-related businesses. A strong focus on profitability and cash flow enabled Intertek to deliver margin improvement of 30 basis points, constant currency EPS progression of 8.6% and a 20% increase in operating cash flow. This includes our strategic decision to exit certain low-value Industry contracts which reduced the Group's organic growth rate.

Organic revenue growth for the Group will strengthen in the second half as one-off effects annualise and as we continue to see good growth in other areas of our portfolio.

Looking further ahead, our strategic choice of portfolio positions Intertek to benefit from attractive long term structural growth drivers. Our product divisions are strongly leveraged to increasing middle class demand for quality in emerging markets, expanding regulation and product variety. Our energy products and infrastructure businesses enable Intertek to take advantage of the long-term growth in energy demand. Through these strategic positions and long-term trends Intertek is well placed to deliver high single digit organic revenue growth over the coming years."

Contacts

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Analysts' Meeting

There will be a meeting for analysts at 9.30am today at Goldman Sachs International, 120 Fleet Street (River Court, 7th Floor), London, EC4A 2BB. A copy of the presentation will be available on the website later today.

Corporate website: www.intertek.com

About Intertek

Intertek is a leading quality solutions provider to industries worldwide.

From auditing and inspection, to testing, training, advisory, quality assurance and certification, Intertek adds value for its customers by helping improve the quality and safety of their products, assets and processes.

With a network of more than 1,000 laboratories and offices and over 36,000 people in more than 100 countries, Intertek supports companies' success in the global marketplace, by helping customers to meet end users' expectations for safety, sustainability, performance, integrity and desirability in virtually any market worldwide.

Intertek Group plc (LSE: ITRK) is listed on the London Stock Exchange and is a constituent of the FTSE 100 index.

Intertek

HALF YEAR REPORT 2014

BUSINESS REVIEW

For the six months ended 30 June 2014

In order to present the performance of the Group in a clear, consistent and comparable format, certain items are disclosed separately on the face of the income statement. These items, which are described in the Presentation of Results section of this report and in note 3 to the Interim Financial Statements, are excluded from the adjusted results. The figures discussed in this review extracted from the income statement and cash flow are presented before separately disclosed items.

Overview of performance

	H1 14	H1 13	Constant rates		Total change
	£m	£m	Total	Organic	at actual rates
Revenue	**1,024.3**	1,084.7	2.9%	(0.5)%	(5.6)%
Operating profit[1]	**152.3**	158.3	5.1%	0.8%	(3.8)%
Margin[1]	**14.9%**	14.6%	30bps	20bps	30 bps
Net financing costs	**11.4**	13.0			
Income tax expense[1]	**34.5**	36.3			
Earnings for the period[1]	**99.6**	100.9			(1.3)%
Diluted earnings per share[1]	**61.2p**	61.9p	8.6%		(1.1)%
Cash generated from operations[1]	**148.2**	123.7			19.8%
Acquisition spend	**40.0**	8.6			
Capital investment - organic	**52.1**	61.0			(14.6)%

1. Adjusted results are stated before separately disclosed items. See Presentation of Results and note 3 to the Interim Financial Statements.

At constant exchange rates the Group reported revenue up 2.9%, operating profit up 5.1%, margin up 30bps and adjusted diluted earnings per share up 8.6%.

Total revenue growth at constant exchange rates was 2.9% with acquisitions contributing 3.4% and organic revenue down 0.5%. The Group's organic revenue reflected good growth in the Consumer Goods and Commercial & Electrical businesses, offset by weakness in the Commodities and Industry & Assurance divisions. Organic growth also reflected the Group's decision to exit certain low value contracts.

Sterling appreciated against the Group's trading currencies, reducing revenue by £89m (8%); at actual exchange rates total revenue declined by 5.6%.

Operating profit at constant exchange rates increased by 5.1%. Growth in Consumer Goods and Commercial & Electrical was partially offset by weakness in Commodities.

A strong focus on profitability including the exit of certain low value contracts and restructuring activities increased the Group's total operating margin by 30bps. Restructuring costs of £9.7m (H1 13: £4.1m) were recorded in separately disclosed items (see below) in the period to 30 June 2014.

Net financing costs were £11.4m (H1 13: £13.0m), a decrease of £1.6m, which included the effect of exchange rates on the Group's USD denominated interest payments. The adjusted effective tax rate was 24.5% (H1 13: 25.0%).

Adjusted cash generated from operations increased by 19.8% to £148.2m due to strong working capital management.

The Group completed one acquisition for £40m in the half year on a cash and debt free basis and invested £52.1m (5.1% of revenue) (H1 13: £61.0m) in organic capital projects. The Group ended the period in a strong financial position with net debt of £660.8m and an annualised pro forma net debt to EBITDA ratio of 1.6x (H1 13: 1.5x).

Adjusted diluted earnings per share for the six months ended 30 June 2014 increased 8.6% at constant exchange rates. Adjusted diluted earnings per share at actual exchange rates was 1.1% lower at 61.2p.

The Board has approved a 6.7% increase in the interim dividend to 16.0p per share. The dividend will be paid on 14 October 2014 to shareholders on the register at 3 October 2014.

Acquisitions

On 3 March 2014 the Group acquired 100% of the share capital of International Inspection Services Ltd ('INSPEC'), a UAE-based provider of non-destructive testing ('NDT') and associated services to the oil and gas industry, for total cash consideration of $66m (£40m) on a cash and debt free basis.

We continue to evaluate acquisition opportunities and expect to make further acquisitions in the second half.

Separately disclosed items

Separately disclosed items before tax were £21.1m in the first half of 2014 (H1 13: £17.4m). This comprises the amortisation of acquisition intangibles of £10.3m (H1 13: £12.7m), £9.7m for restructuring costs (H1 13: £4.1m) and acquisition transaction costs of £1.1m (H1 13: £0.4m).

Further information on separately disclosed items is given in the Presentation of Results section of this report and in note 3 to the Interim Financial Statements.

OPERATING REVIEW BY DIVISION

	Revenue				Adjusted operating profit			
	H1 14 **£m**	H1 13 £m	Organic change at constant rates	Change at actual rates	**H1 14** **£m**	H1 13 £m	Organic change at constant rates	Change at actual rates
Industry & Assurance	**325.3**	356.4	(6.7)%	(8.7)%	**36.1**	38.1	(5.4)%	(5.2)%
Commodities	**262.8**	295.4	(1.6)%	(11.0)%	**26.8**	30.7	(3.9)%	(12.7)%
Consumer Goods	**176.1**	184.0	5.0%	(4.3)%	**55.6**	58.0	6.0%	(4.1)%
Commercial & Electrical	**176.0**	168.0	6.3%	4.8%	**26.6**	25.3	3.4%	5.1%
Chemicals & Pharmaceuticals	**84.1**	80.9	4.5%	4.0%	**7.2**	6.2	3.3%	16.1%
	1,024.3	1,084.7	(0.5)%	(5.6)%	**152.3**	158.3	0.8%	(3.8)%
Net financing costs					**(11.4)**	(13.0)		
Adjusted profit before income tax					**140.9**	145.3		(3.0)%
Income tax expense					**(34.5)**	(36.3)		
Adjusted profit for the period					**106.4**	109.0		(2.4)%
Adjusted diluted EPS					**61.2p**	61.9p		(1.1)%

A review of the adjusted results of each division in the six months to 30 June 2014 compared to the six months to 30 June 2013 is set out below.

Revenue and operating profit are presented at actual exchange rates and growth rates are shown at actual exchange rates. In addition, total and organic growth at constant exchange rates is presented. Organic growth figures are calculated by excluding the results of acquisitions and disposals made since 1 January 2013. Operating profit and operating margin are stated before separately disclosed items.

Industry & Assurance

	H1 14 **£m**	H1 13 £m	Change at constant rates	Organic change at constant rates	Change at actual rates
Revenue	**325.3**	356.4	(1.0)%	(6.7)%	(8.7)%
Operating profit	**36.1**	38.1	2.0%	(5.4)%	(5.2)%
Operating margin	**11.1%**	10.7%	30bps	10bps	40bps

Industry & Assurance – using in-depth knowledge of the oil, gas, nuclear, power, renewable energy, construction, food, chemical and agricultural industries, the division provides a diverse range of services to help customers optimise the use and value of their assets and to meet global quality standards on their products. These include technical inspection, asset integrity management, exploration and production support, consulting, training and third-party management systems auditing. The division also provides certification services, second-party supplier auditing, sustainability data verification and process performance analysis.

Total revenue at constant rates was 1.0% lower at £325.3m, primarily due to our decision to exit certain low value contracts, which negatively impacted revenue by 4.2%, and the phasing of work on our customers' energy capital projects. The Food & Agri business benefitted from good harvests and customers expanding their quality systems, particularly in Asia and Latin America. Business Assurance grew well principally from customer programmes in China and the USA. At actual rates revenue was 8.7% lower.

Total operating profit at constant rates increased 2.0% with a 30 basis point improvement in margin. At actual rates operating profit was 5.2% lower.

We expect long term energy infrastructure investment to drive growth in our infrastructure business alongside adoption of higher quality and safety standards across global markets in our Assurance and Food & Agri businesses.

Commodities

	H1 14 £m	H1 13 £m	Change at constant rates	Organic change at constant rates	Change at actual rates
Revenue	**262.8**	295.4	(1.7)%	(1.6)%	(11.0)%
Operating profit	**26.8**	30.7	(3.2)%	(3.9)%	(12.7)%
Operating margin	**10.2%**	10.4%	(20)bps	(20)bps	(20)bps

Commodities – provides independent cargo inspection, analytical assessment, calibration and related research and technical services to the world's oil, gas, mining and biofuels industries. The division also provides services to governments and regulatory bodies to support trade activities that help the flow of goods across borders.

Total revenue at constant rates was 1.7% lower at £262.8m. Growth in cargo inspection and testing in Asia and shale activities in the US was offset by weaker European cargo markets, double digit decline in minerals from the Indonesian ore export ban and prior year changes to a Product Conformity Programme in Government Trade Services. At actual rates revenue was 11.0% lower.

Total operating profit at constant rates was 3.2% lower due to the effects within the minerals and Government Trade Services businesses noted above. At actual rates operating profit was 12.7% lower.

The minerals market is expected to continue to be challenging throughout 2014, reflecting weak market conditions and the Indonesia export ban. The long-term demand for energy, development and trading of commodities as well as new fuel sources will continue to drive growth in this division through the cycle.

Consumer Goods

	H1 14 £m	H1 13 £m	Change at constant rates	Organic change at constant rates	Change at actual rates
Revenue	**176.1**	184.0	5.1%	5.0%	(4.3)%
Operating profit	**55.6**	58.0	5.9%	6.0%	(4.1)%
Operating margin	**31.6%**	31.5%	30bps	30bps	10bps

Consumer Goods – the division has a leading global position as a provider of services to the textiles, toys, footwear, hardlines, food and retail industries. As partner to manufacturers, retailers and distributors it offers expertise on issues ranging from restricted hazardous substance and sustainability, to supply chain security and legislation relating to environmental, ethical and trade security issues. Services include testing, inspection, auditing, advisory services, quality assurance and hazardous substance testing.

Total revenue at constant rates increased 5.1% to £176.1m. Growth was driven by strong demand in Textiles with particularly strong growth in newer sourcing markets such as India and Turkey. Toys & Hardlines delivered solid growth against comparatives which benefitted from the introduction of the EU Toy Safety Directive that came into force in the middle of 2013. Factory auditing has continued to grow well as social and ethical compliance standards become increasingly important to retail clients and global brands. At actual rates revenue was 4.3% lower.

Total operating profit at constant rates increased by 5.9% at an operating margin of 31.6%, as a result of strong profit growth in the fast-growing softlines markets such as Turkey and India. At actual rates operating profit was 4.1% lower.

Increasing quality regulations, product variety and end-user demand for higher quality products, particularly among the growing middle classes in emerging markets, is expanding demand for our services. Our leading global network of product-focused laboratories covers established and emerging sourcing markets and allows us to support global retailers across their supply chain as sourcing patterns shift. Continued network and service expansion provides on-going growth opportunities.

Commercial & Electrical

	H1 14 £m	H1 13 £m	Change at constant rates	Organic change at constant rates	Change at actual rates
Revenue	**176.0**	168.0	14.6%	6.3%	4.8%
Operating profit	**26.6**	25.3	14.7%	3.4%	5.1%
Operating margin	**15.1%**	15.1%	0bps	(40)bps	0bps

Commercial & Electrical – the global network of accredited facilities provides manufacturers and retailers with the most comprehensive scope of safety, performance and quality testing and certification services. The division supports customers in a wide range of industries including home appliances, consumer electronics, lighting, medical, building products, industrial and HVAC/R (heating, ventilation, air conditioning and refrigeration), ICT (information and communication technology), renewable energy and automotive.

Total revenue at constant rates increased 14.6% to £176.0m with growth in transportation from global vehicle technology development as well as growth in electrical product lines such as HVAC/R. Building Products grew well, including the acquisition of Architectural Testing Inc. At actual rates revenue increased 4.8%.

Total operating profit at constant rates increased by 14.7%. We continue to invest in our global laboratory network to support new product development and testing. At actual rates operating profit increased 5.1%.

Long-term development of new technologies and product variety by our customers, and the emergence of new leading innovation and technology companies in developing markets, coupled with expanding electrical safety and environmental and energy-saving regulations will drive growth in this division.

Chemicals & Pharmaceuticals

	H1 14 £m	H1 13 £m	Change at constant rates	Organic change at constant rates	Change at actual rates
Revenue	**84.1**	80.9	7.5%	4.5%	4.0%
Operating profit	**7.2**	6.2	18.0%	3.3%	16.1%
Operating margin	**8.6%**	7.7%	80bps	(10)bps	90bps

Chemicals & Pharmaceuticals – serving a wide range of industries, including chemicals and refined products, pharmaceutical, healthcare and beauty, and automotive and aerospace, the division offers advanced laboratory measurement and expert consultancy related technical support services and sustainability solutions. It has an established track record of success in laboratory outsourcing with many large, internationally recognised companies. The division’s world leading technical experts also support internal technical development.

Total revenue at constant rates increased 7.5% to £84.1m. Solid growth in North America was offset by continuing weakness in Europe. At actual rates revenue increased 4.0%.

Total operating profit at constant rates increased 18.0%, including the contribution from the acquisition of Melbourn Scientific and supported by the restructuring programme in Europe. At actual rates operating profit increased 16.1%.

Our customers continue to research and develop innovative new materials and medicines to address some of the world's global health and climate challenges. This will drive long-term growth in demand for our high-end analytical services that support their activities.

PRESENTATION OF RESULTS

Adjusted results

In order to present the performance of the Group in a clear, consistent and comparable format, certain items are disclosed separately on the face of the income statement. These separately disclosed items which are described below are excluded from the adjusted results.

Organic growth

Organic growth figures are calculated by excluding the results of acquisitions and disposals made since 1 January 2013.

Constant rates

In order to remove the impact of currency translation from certain growth figures we present revenue and profit growth at constant rates. This is calculated by translating H1 13 results at H1 14 exchange rates.

Separately disclosed items

Separately disclosed items are items which by their nature or size, in the opinion of the Directors, should be excluded from the adjusted results to provide readers with a clear and consistent view of the business performance of the Group and its operating divisions. When applicable, these items include amortisation of acquisition intangibles, impairment of goodwill and other assets, the profit or loss on disposals of businesses or other significant fixed assets, costs of acquiring and integrating acquisitions, the cost of any fundamental restructuring, material claims and settlements, significant recycling of amounts from equity to the income statement and unrealised gains/losses on financial assets/liabilities. Details of the separately disclosed items for the six months ended 30 June 2014 and the comparative prior period are given in note 3 to the Interim Financial Statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has an established, structured approach to risk management, which includes continuously assessing and monitoring the key risks and uncertainties of the business.

During the first half of the year the Board reviewed the Group's principal risks and uncertainties to ensure they continued to be relevant to the Group. Based on this review, the Board identified the risks outlined on pages 14 to 17 of the Group's Annual Report for 2013, which is available from our website at www.intertek.com:

- Harm to the Group's reputation
- Loss of accreditation leading to loss of business
- Key staff reliance and depth of management
- Political risk
- Cyclical risk
- IT system risk
- Claims
- Bribery and corruption
- Financial irregularity risk

The Business Review and Operating Review by Division include consideration of key uncertainties affecting the Group in the remaining six months of the year.

MANAGEMENT REPORTS

Intertek will issue the next interim management statement in the fourth quarter of 2014. The full year results will be announced on 2 March 2015.

HALF YEAR REPORT

If you require a printed copy of this statement please contact the Group Company Secretary. This statement is available on www.intertek.com.

LEGAL NOTICE

This Half Year Report and announcement contain 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 announcement should be construed as a profit forecast. Past performance cannot be relied upon as a guide to future performance.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE HALF YEAR REPORT

We confirm that to the best of our knowledge:

- The condensed set of financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU;

- The interim management report includes a fair review of the information required by:

  (a) DTR 4.2.7R of the *Disclosure and Transparency Rules*, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  (b) DTR 4.2.8R of the *Disclosure and Transparency Rules*, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last Annual Report that could do so.

By order of the Board of Intertek Group plc

Wolfhart Hauser
Chief Executive Officer
1 August 2014

Lloyd Pitchford
Chief Financial Officer
1 August 2014

Independent review report to Intertek Group plc

Introduction
We have been engaged by the company to review the condensed set of financial statements in the half-yearly report for the six months ended 30 June 2014 which comprises the condensed consolidated interim income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related explanatory notes. We have read the other information contained in the half-yearly report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure and Transparency Rules ('the DTR') of the UK's Financial Conduct Authority ('the UK FCA'). Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities
The half-yearly report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly report in accordance with the DTR of the UK FCA.

The annual financial statements of the group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half year report has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.

Our responsibility
Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly report based on our review.

Scope of review
We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly report for the six months ended 30 June 2014 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FCA.

Stephen Wardell
for and on behalf of KPMG Audit Plc
Chartered Accountants
15 Canada Square
London E14 5GL
1 August 2014

Condensed Consolidated Interim Income Statement
Six months ended 30 June 2014

		Six months to 30 June 2014 (Unaudited)			Six months to 30 June 2013 (Unaudited)		
	Note	**Adjusted Results £m**	**Separately disclosed items* £m**	**Total £m**	Adjusted results £m	Separately disclosed items* £m	Total £m
Revenue	2	**1,024.3**	**-**	**1,024.3**	1,084.7	-	1,084.7
Operating costs		**(872.0)**	**(21.1)**	**(893.1)**	(926.4)	(17.4)	(943.8)
Group operating profit	2	**152.3**	**(21.1)**	**131.2**	158.3	(17.4)	140.9
Finance income		**2.8**	**-**	**2.8**	4.6	-	4.6
Finance expense		**(14.2)**	**-**	**(14.2)**	(17.6)	-	(17.6)
Net financing costs		**(11.4)**	**-**	**(11.4)**	(13.0)	-	(13.0)
Profit before income tax		**140.9**	**(21.1)**	**119.8**	145.3	(17.4)	127.9
Income tax expense	4	**(34.5)**	**5.0**	**(29.5)**	(36.3)	3.8	(32.5)
Profit for the period		**106.4**	**(16.1)**	**90.3**	109.0	(13.6)	95.4
Profit attributable to:							
Equity holders of the Company (earnings)		**99.6**	**(16.1)**	**83.5**	100.9	(13.6)	87.3
Non-controlling interest		**6.8**	**-**	**6.8**	8.1	-	8.1
Profit for the period		**106.4**	**(16.1)**	**90.3**	109.0	(13.6)	95.4
Earnings per share**							
Basic	5			**51.8p**			54.2p
Diluted	5			**51.3p**			53.5p
Dividends in respect of the period				**16.0p**			15.0p

* See note 3.

** Earnings per share on the adjusted results is disclosed in note 5.

Condensed Consolidated Interim Statement of Comprehensive Income
Six months ended 30 June 2014

	Six months to 30 June 2014 (Unaudited) £m	Six months to 30 June 2013 (Unaudited) £m
Profit for the period	**90.3**	95.4
Other comprehensive income		
Items that will never be reclassified to profit or loss:		
Actuarial (losses)/gains on defined benefit pension schemes	**(0.6)**	3.6
Tax on items that will never be reclassified to profit or loss	**0.2**	1.7
	(0.4)	5.3
Items that are or may be reclassified subsequently to the profit or loss		
Foreign exchange translation differences of foreign operations	**(39.9)**	21.8
Net exchange gain/(loss) on hedges of net investments in foreign operations	**23.0**	(33.6)
Effective portion of changes in fair value of cash flow hedges	**(0.1)**	(0.2)
Tax on items that are or may be reclassified subsequently to the profit or loss	**(1.4)**	-
	(18.4)	(12.0)
Total other comprehensive expense for the period, net of tax	**(18.8)**	(6.7)
Total comprehensive income for the period	**71.5**	88.7

Total comprehensive income for the period attributable to:		
Equity holders of the Company	**65.4**	80.2
Non-controlling interest	**6.1**	8.5
Total comprehensive income for the period	**71.5**	88.7

Condensed Consolidated Interim Statement of Financial Position

As at 30 June 2014

	Notes	**At 30 June 2014 (Unaudited) £m**	At 30 June 2013 (Unaudited) £m	At 31 December 2013 (Audited) £m
Assets				
Property, plant and equipment	10	**338.8**	321.2	337.1
Goodwill	9	**743.9**	681.9	736.8
Other intangible assets		**170.7**	156.9	170.5
Investments in associates		**1.4**	1.4	1.4
Deferred tax assets		**32.0**	30.1	28.3
Total non-current assets		**1,286.8**	1,191.5	1,274.1
Inventories		**13.3**	14.8	12.2
Trade and other receivables		**518.4**	571.6	510.9
Cash and cash equivalents	8	**100.5**	123.8	116.4
Current tax receivable		**16.6**	-	16.5
Total current assets		**648.8**	710.2	656.0
Total assets		**1,935.6**	1,901.7	1,930.1
Liabilities				
Interest bearing loans and borrowings	8	**(82.2)**	(16.0)	(15.4)
Current taxes payable		**(57.4)**	(49.2)	(57.9)
Trade and other payables		**(278.4)**	(313.7)	(304.6)
Provisions		**(20.8)**	(29.1)	(22.0)
Total current liabilities		**(438.8)**	(408.0)	(399.9)
Interest bearing loans and borrowings	8	**(679.1)**	(741.3)	(719.2)
Deferred tax liabilities		**(36.8)**	(35.1)	(34.1)
Net pension liabilities	6	**(12.9)**	(14.0)	(13.1)
Other payables		**(4.7)**	(4.5)	(4.7)
Provisions		**(2.3)**	(2.3)	(2.4)
Total non-current liabilities		**(735.8)**	(797.2)	(773.5)
Total liabilities		**(1,174.6)**	(1,205.2)	(1,173.4)
Net assets		**761.0**	696.5	756.7
Equity				
Share capital		**1.6**	1.6	1.6
Share premium		**257.8**	257.6	257.8
Other reserves		**(30.4)**	4.4	(14.2)
Retained earnings		**504.2**	403.1	487.4
Total attributable to equity holders of the Company		**733.2**	666.7	732.6
Non-controlling interest		**27.8**	29.8	24.1
Total equity		**761.0**	696.5	756.7

Condensed Consolidated Interim Statement of Changes in Equity

Six months ended 30 June 2014

	Attributable to equity holders of the Company							
			Other reserves					
	Share capital	Share premium account	Translation reserve	Other	Retained earnings	**Total before non-controlling interest**	Non-controlling interest	**Total equity**
	£m	£m	£m	£m	£m	**£m**	£m	**£m**
At 1 January 2013	1.6	257.4	10.2	6.4	354.0	**629.6**	25.3	**654.9**
Comprehensive income for the period	-	-	(12.2)	-	92.4	**80.2**	8.5	**88.7**
Dividends paid	-	-	-	-	(45.2)	**(45.2)**	(4.0)	**(49.2)**
Issue of shares	-	0.2	-	-	-	**0.2**	-	**0.2**
Equity-settled transactions	-	-	-	-	6.3	**6.3**	-	**6.3**
Cash settlement of share awards	-	-	-	-	(6.5)	**(6.5)**	-	**(6.5)**
Income tax on equity-settled transactions	-	-	-	-	2.1	**2.1**	-	**2.1**
At 30 June 2013 (unaudited)	**1.6**	**257.6**	**(2.0)**	**6.4**	**403.1**	**666.7**	**29.8**	**696.5**
At 1 January 2014	1.6	257.8	(20.6)	6.4	487.4	**732.6**	24.1	**756.7**
Comprehensive income for the period	-	-	(16.2)	-	81.6	**65.4**	6.1	**71.5**
Dividends paid	-	-	-	-	(49.9)	**(49.9)**	(2.4)	**(52.3)**
Purchase own shares	-	-	-	-	(14.6)	**(14.6)**	-	**(14.6)**
Equity-settled transactions	-	-	-	-	4.9	**4.9**	-	**4.9**
Cash settlement of share awards	-	-	-	-	(5.7)	**(5.7)**	-	**(5.7)**
Income tax on equity-settled transactions	-	-	-	-	0.5	**0.5**	-	**0.5**
At 30 June 2014 (unaudited)	**1.6**	**257.8**	**(36.8)**	**6.4**	**504.2**	**733.2**	**27.8**	**761.0**

The dividend of £49.9m which was paid on 6 June 2014 represented a final dividend of 31.0p per ordinary share in respect of the year ended 31 December 2013. The dividend of £45.2m which was paid on 7 June 2013 represented a final dividend of 28.0p per ordinary share in respect of the year ended 31 December 2012. No ordinary shares were issued in the period to satisfy the exercise of share awards.

Condensed Consolidated Interim Statement of Cash Flows
Six months ended 30 June 2014

	Notes	**Six months to 30 June 2014 (Unaudited) £m**	Six months to 30 June 2013 (Unaudited) £m
Cash flows from operating activities			
Profit for the period		**90.3**	95.4
Adjustments for:			
Depreciation charge		**33.8**	32.8
Amortisation of software		**3.5**	2.3
Amortisation of acquisition intangibles		**10.3**	12.7
Equity-settled transactions	7	**4.9**	6.3
Net financing costs		**11.4**	13.0
Income tax expense	4	**29.5**	32.5
Loss on disposal of property, plant, equipment and software		**0.3**	0.4
Operating cash flow before changes in working capital and operating provisions		**184.0**	195.4
Change in inventories		**(1.5)**	(2.1)
Change in trade and other receivables		**(14.2)**	(61.4)
Change in trade and other payables		**(24.1)**	(14.3)
Change in provisions		**(0.8)**	1.6
Special contributions into pension schemes	6	**(0.9)**	-
Cash generated from operations		**142.5**	119.2
Interest and other finance expense paid		**(13.2)**	(13.0)
Income taxes paid		**(30.8)**	(37.7)
Net cash flows from operating activities		**98.5**	68.5
Cash flows from investing activities			
Proceeds from sale of property, plant, equipment and software		**0.1**	1.0
Interest received		**0.6**	0.9
Acquisition of subsidiaries, net of cash acquired	9	**(37.4)**	(6.8)
Consideration paid in respect of prior period acquisitions	9	**(0.3)**	-
Acquisition of property, plant, equipment and software	10	**(52.1)**	(61.0)
Net cash flows used in investing activities		**(89.1)**	(65.9)
Cash flows from financing activities			
Proceeds from the issue of share capital		**-**	0.2
Purchase of own shares		**(14.6)**	-
Cash settlement of share awards		**(5.7)**	(6.5)
Drawdown of borrowings		**66.0**	76.6
Repayment of borrowings		**(15.0)**	(70.1)
Dividends paid to non-controlling interest		**(2.4)**	(4.0)
Equity dividends paid		**(49.9)**	(45.2)
Net cash flows from financing activities		**(21.6)**	(49.0)
Net decrease in cash and cash equivalents	8	**(12.2)**	(46.4)
Cash and cash equivalents at 1 January	8	**116.4**	166.5
Effect of exchange rate fluctuations on cash held	8	**(3.7)**	3.7
Cash and cash equivalents at end of period	8	**100.5**	123.8

Cash outflow relating to separately disclosed items was £5.7m (six months ended 30 June 2013: outflow £4.5m).

Notes to the Condensed Consolidated Interim Financial Statements

1 Basis of preparation

Reporting entity

Intertek Group plc (the 'Company') is a company incorporated and domiciled in the United Kingdom. The Condensed Consolidated Interim Financial Statements of the Company as at and for the six months ended 30 June 2014 comprise the Company and its subsidiaries (together referred to as the 'Group').

The Consolidated Financial Statements of the Group as at and for the year ended 31 December 2013, are available upon request from the Company's registered office at 25 Savile Row, London, W1S 2ES. An electronic version is available from the Investors section of the Group website at www.intertek.com.

Statement of compliance

These Condensed Consolidated Interim Financial Statements are prepared in accordance with IAS 34: Interim Financial Reporting as endorsed and adopted for use in the European Union and the Disclosure and Transparency Rules (DTR) of the Financial Conduct Authority. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Consolidated Financial Statements of the Group as at and for the year ended 31 December 2013.

The comparative figures for the financial year ended 31 December 2013 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

Significant accounting policies

These Condensed Consolidated Interim Financial Statements are unaudited and, except as described below, have been prepared on the basis of accounting policies consistent with those applied in the Consolidated Financial Statements for the year ended 31 December 2013.

There are no new standards effective for the first time in the current financial period with significant impact on the Company's consolidated results or financial position.

Risks and uncertainties

The Operating Review includes consideration of the risks and uncertainties affecting the Group in the remaining six months of the year. The Board has reviewed forecasts, including forecasts adjusted for significantly worse economic conditions, and remains satisfied with the Group's funding and liquidity position. On the basis of its forecasts, both base case and stressed, and available facilities, the Board has concluded that the going concern basis of preparation continues to be appropriate.

Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Condensed Consolidated Interim Financial Statements, the nature of the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2013. During the six months ended 30 June 2014 management reassessed its estimates in respect of pensions (note 6), contingent consideration payable and fair value adjustments in respect of acquisitions made in prior periods (note 9 (c)) and also in respect of claims and settlements (note 12).

Notes to the Condensed Consolidated Interim Financial Statements

1 Basis of preparation (continued)

Foreign operations

The assets and liabilities of foreign operations, including goodwill arising on acquisition, are translated to sterling at foreign exchange rates ruling at the reporting date. The income and expenses of foreign operations are translated into sterling at cumulative average rates of exchange during the year.

The most significant currencies for the Group were translated at the following exchange rates:

	Assets and liabilities		Income and expense	
Value of £1	Actual rates		Cumulative average rates	
	30 June 14	30 June 13	**H1 14**	H1 13
US dollar	**1.70**	1.53	**1.67**	1.54
Euro	**1.25**	1.18	**1.22**	1.18
Chinese renminbi	**10.59**	9.47	**10.25**	9.62
Hong Kong dollar	**13.19**	11.89	**12.94**	11.94
Australian dollar	**1.81**	1.65	**1.83**	1.52
Canadian dollar	**1.82**	1.61	**1.83**	1.57

Business analysis

The Group is organised into five operating divisions which represent the Group's reporting segments: Industry & Assurance, Commodities, Consumer Goods, Commercial & Electrical and Chemicals & Pharmaceuticals. The costs of corporate head office and other costs which are not controlled by the operating divisions are allocated to these divisions. These divisions are the basis on which the Group reports its primary segment information. A description of the activity in each division is given below.

Industry & Assurance provides a wide range of services including asset integrity management, engineering, inspection, auditing, certification, consulting, training, staffing and testing services. It serves a wide variety of industries including oil, gas, petrochemical, power, renewable energy, and civil and infrastructure. It also provides services to customers in the food and agricultural sectors.

Commodities provides testing, inspection and other technical services to the global petroleum and minerals industries, and supports trade activities that help the flow of goods across borders.

Consumer Goods partners with global retailers, manufacturers and distributors to enhance clients' products, processes and brands. Our services include testing, inspection, auditing, advisory services, quality assurance and hazardous substance testing.

Commercial & Electrical provides global manufacturers and retailers with the most comprehensive scope of safety, performance and quality testing and certification services. The division supports customers in a wide range of industries including home appliances, consumer electronics, lighting, medical, building, industrial and HVAC/R (heating, ventilation, air conditioning and refrigeration), ICT, renewable energy and automotive.

Chemicals & Pharmaceuticals helps global industries to sharpen their competitive edge with expert measurement and consulting services that support core business processes, ranging from new drug development through to the development of new materials, polymers, composites and packaging.

Notes to the Condensed Consolidated Interim Financial Statements

2. Operating segments

Six months ended 30 June 2014

	Revenue from external customers £m	Depreciation and software amortisation* £m	Adjusted operating profit £m	Separately disclosed Items £m	Group operating profit £m
Industry & Assurance	325.3	(5.0)	36.1	(11.0)	25.1
Commodities	262.8	(10.9)	26.8	(2.7)	24.1
Consumer Goods	176.1	(5.3)	55.6	(0.3)	55.3
Commercial & Electrical	176.0	(10.6)	26.6	(2.8)	23.8
Chemicals & Pharmaceuticals	84.1	(2.3)	7.2	(4.3)	2.9
Total	**1,024.3**	**(34.1)**	**152.3**	**(21.1)**	**131.2**
Net financing costs			(11.4)	-	(11.4)
Profit before income tax			**140.9**	**(21.1)**	**119.8**
Income tax expense			(34.5)	5.0	(29.5)
Profit for the period			**106.4**	**(16.1)**	**90.3**

* Depreciation and software amortisation of £37.3m (2013: £35.1m) includes unallocated charges of £3.2m (2013: £2.5m).

Six months ended 30 June 2013

	Revenue from external customers £m	Depreciation and software amortisation* £m	Adjusted operating profit £m	Separately disclosed items £m	Group operating profit £m
Industry & Assurance	356.4	(4.2)	38.1	(9.8)	28.3
Commodities	295.4	(11.6)	30.7	(5.5)	25.2
Consumer Goods	184.0	(5.6)	58.0	(0.9)	57.1
Commercial & Electrical	168.0	(9.1)	25.3	(0.8)	24.5
Chemicals & Pharmaceuticals	80.9	(2.1)	6.2	(0.4)	5.8
Total	**1,084.7**	**(32.6)**	**158.3**	**(17.4)**	**140.9**
Net financing costs			(13.0)	-	(13.0)
Profit before income tax			**145.3**	**(17.4)**	**127.9**
Income tax expense			(36.3)	3.8	(32.5)
Profit for the period			**109.0**	**(13.6)**	**95.4**

Notes to the Condensed Consolidated Interim Financial Statements

3 Separately disclosed items

		Six months to 30 June 2014 £m	Six months to 30 June 2013 £m
Operating costs			
Amortisation of acquisition intangibles	(a)	**(10.3)**	(12.7)
Acquisition and integration costs		**(1.1)**	(0.4)
Project costs		**-**	(0.4)
Restructuring costs	(b)	**(9.7)**	(4.1)
Profit on disposal of investment in associate		**-**	0.2
Total operating costs		**(21.1)**	(17.4)
Income tax credit		**5.0**	3.8
Total		**(16.1)**	(13.6)

(a) Of the amortisation of acquired intangibles in the current year, the majority relates to the customer relationships acquired with the purchase of Moody International Limited ('Moody') in 2011.

(b) Restructuring costs of £9.7m (six months ended 30 June 2013: £4.1m) principally relate to asset write-offs and staff redundancies in certain countries.

4 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period in respect of the adjusted results. The income tax expense for the adjusted results for the six months ended 30 June 2014 is £34.5m (six months ended 30 June 2013: £36.3m). The Group's adjusted consolidated effective tax rate for the six months ended 30 June 2014 is 24.5% (six months ended 30 June 2013: 25.0%). The income tax expense for the total results for the six months ended 30 June 2014 is £29.5m (six months ended 30 June 2013: £32.5m). The Group's consolidated effective tax rate for the six months ended 30 June 2014 is 24.6% (six months ended 30 June 2013: 25.4%).

Differences between the estimated adjusted effective rate of 24.5% and the weighted average notional statutory UK rate of 21.5% include, but are not limited to, the mix of profits, the effect of tax rates in foreign jurisdictions, non deductible expenses, the effect of utilised tax losses and under/over provisions in previous periods.

5 Earnings per share ('EPS')

Based on the profit for the period:	**Six months to 30 June 2014 £m**	Six months to 30 June 2013 £m
Profit attributable to equity holders of the Company	**83.5**	87.3
Separately disclosed items (note 3)	**16.1**	13.6
Adjusted earnings after tax	**99.6**	100.9
Number of shares (millions):		
Basic weighted average number of ordinary shares	**161.1**	161.1
Potentially dilutive share awards	**1.6**	2.0
Diluted weighted average number of shares	**162.7**	163.1
Basic EPS	**51.8p**	54.2p
Potentially dilutive share awards	**(0.5)p**	(0.7)p
Diluted EPS	**51.3p**	53.5p
Basic adjusted EPS	**61.8p**	62.6p
Potentially dilutive share awards	**(0.6)p**	(0.7)p
Adjusted diluted EPS	**61.2p**	61.9p

6 Pension schemes

During the period the Group made a special contribution of £0.9m (six months ended 30 June 2013: £nil) into The Intertek Pension Scheme.

The significant actuarial assumptions used in the valuation of the Group's material defined benefit pension schemes as at 31 December 2013 have been reviewed. The movements in the discount and inflation rates used to value the pension liabilities, as well as the updated asset valuations and the net pension liabilities, have not moved materially since 31 December 2013; however a net actuarial loss before taxation of £0.6m has been recognised in the consolidated statement of comprehensive income. The net pension liability is £12.9m at 30 June 2014.

The expense recognised in the consolidated interim income statement for the Group's material defined benefit pension schemes consists of interest on the obligation for employee benefits and the expected return on scheme assets. For the six months ended 30 June 2014, the Group recognised a net expense of £0.6m (six months ended 30 June 2013: £0.6m).

7 Equity-settled transactions

During the six months ended 30 June 2014, the Group recognised an expense of £4.9m in respect of the share awards made in 2011, 2012, 2013 and 2014. For the six months ended 30 June 2013, the charge was £6.3m in respect of the share awards made in 2010, 2011, 2012 and 2013. The shares granted in 2014 had fair values of 3,046p for the Share Awards and for the EPS condition in the Performance Awards and 1,633p in respect of the Total Shareholder Return ('TSR') condition in the Performance Awards.

Under the Long Term Incentive Plan, 256,931 Share Awards (2013: 284,949) and 304,969 Performance Awards (2013: 177,286) were granted during the period. The Performance Awards have both an EPS and a TSR condition.

Notes to the Condensed Consolidated Interim Financial Statements

8 Analysis of net debt

The components of net debt are outlined below:

	1 January 2014 £m	Cash flow £m	Exchange adjustments £m	30 June 2014 £m
Cash	116.4	(12.2)	(3.7)	**100.5**
Borrowings:				
Revolving credit facility US$600m	(191.7)	(26.6)	6.3	**(212.0)**
Bilateral multi-currency facility 2016	(37.3)	(3.1)	1.3	**(39.1)**
Bilateral term loan facilities	(24.2)	(36.1)	1.7	**(58.6)**
Senior notes US$25m 2014	(15.1)	15.1	-	**-**
Senior notes US$100m 2015	(60.7)	-	1.9	**(58.8)**
Senior notes US$75m 2016	(45.5)	-	1.5	**(44.0)**
Senior notes US$100m 2017	(60.7)	-	1.9	**(58.8)**
Senior notes US$20m 2019	(12.1)	-	0.4	**(11.7)**
Senior notes US$150m 2020	(91.0)	-	2.9	**(88.1)**
Senior notes US$140m 2022	(84.9)	-	2.7	**(82.2)**
Senior notes US$40m 2023	(24.3)	-	0.8	**(23.5)**
Senior notes US$105m 2024	(63.7)	-	2.0	**(61.7)**
Senior notes US$40m 2025	(24.3)	-	0.8	**(23.5)**
Other*	0.9	(0.2)	0.1	**0.8**
Total borrowings	(734.6)	(51.0)	24.3	**(761.3)**
Total net debt	(618.2)	(63.2)	20.6	**(660.8)**

* Includes other borrowings of £0.7m (2013: £0.4m) and facility fees.

	At 30 June 2014 £m	At 30 June 2013 £m	At 31 December 2013 £m
Borrowings due in less than one year	**82.2**	16.0	15.4
Borrowings due in one to two years	**330.0**	77.7	84.3
Borrowings due in two to five years	**70.2**	340.8	334.8
Borrowings due in over five years	**278.9**	322.8	300.1
Total borrowings	**761.3**	757.3	734.6

Full details of the Group borrowings facilities were disclosed in note 14 to the Annual Report for 2013. Key movements in the period are disclosed below.

2014 Refinancing
A total of US$170m has been raised in H1 2014 from a combination of Bank and US Private Placement (USPP) facilities.

The bilateral term loan facilities were increased by US$60m to US$100m, the increase being drawn on 4 April 2014 to restore headroom under the core revolver facility. The maturity of US$40m of these facilities has also been extended by 12 months to March 2016.

On 4 April 2014 USPPs totalling US$110m were priced across 7, 10 and 12 year maturities. The notes achieved a weighted average coupon of 3.93% and the funds will be received in three tranches from July to December 2014.

On 31 July 2014, the Group agreed an amendment and extension to its existing revolving credit facility. The facility was increased to US$800m and extended to June 2019 with an option to extend for a further two years subject to the agreement of lenders.

8 Analysis of net debt (continued)

Fair values
The carrying value of the interest bearing loans and borrowings is £761.3m. The fair value, based on the present value of the future principal and interest cash flows discounted at the market rate at reporting date, was £777.8m.

9 Acquisition of businesses

(a) Acquisitions
During the period the Group acquired one company, the details of which are included below.

International Inspection Services Ltd ('INSPEC')
On 3 March 2014 the Group acquired 100% of the share capital of International Inspection Services Ltd (INSPEC), a UAE-based provider of non-destructive testing (NDT) and associated services to the oil and gas industry, for a total cash consideration, including debt assumed, of $66m (£40m). The total cash consideration of £40m includes net consideration of £37.4m and cash acquired of £2.6m. Goodwill arising was £20.4m.

Provisional details of net assets acquired and fair value adjustments for the acquisition completed in the period are set out in the following table. The analysis is provisional and amendments may be made to these figures in the 12 months following the date of the acquisition.

Acquisition	Book value prior to acquisition £m	Fair value adjustments £m	Fair value to Group on acquisition £m
Property, plant and equipment	2.9	-	2.9
Goodwill	-	20.4	20.4
Other intangible assets	-	7.3	7.3
Trade and other receivables*	13.2	(3.5)	9.7
Trade and other payables	(2.0)	-	(2.0)
Provisions for liabilities and charges	(0.9)	-	(0.9)
Net assets acquired	**13.2**	**24.2**	**37.4**
Cash outflow (net of cash acquired)			37.4
Total consideration			**37.4**

*Trade receivables comprise gross contractual amounts due of £6.2m with a fair value of £4.3m.

The goodwill of £20.4m represents the value of the assembled workforce and the benefits Intertek expects to gain from increasing its presence in the asset integrity markets in the Middle East.

The other intangible assets of £7.3m represent the value placed on customer contracts and relationships and the deferred tax thereon was £nil.

The revenue for the period from the date of acquisition to 30 June 2014 was £5.6m. The revenue for the period 1 January 2014 to the date of acquisition was £2.7m. The profit for the period from the date of acquisition to 30 June 2014 attributable to the Group was £0.7m. The profit for the period 1 January 2014 to the date of acquisition was £0.4m.

(b) Acquisitions subsequent to the balance sheet date
No acquisitions have been made subsequent to the balance sheet date.

(c) Prior period acquisitions
Consideration of £0.3m (six months ended June 2013: £nil) was paid during the period in respect of prior period acquisitions.

(d) Impact of acquisitions on the Group results
The Group revenue and profit for the six months ended 30 June 2014 attributable to the Group would have been £1,027.0m and £90.7m respectively if the acquisition was assumed to have been made on 1 January 2014.

Notes to the Condensed Consolidated Interim Financial Statements

9. Acquisition of businesses (continued)

(e) Details of 2013 acquisitions
Full details of acquisitions made in the year ended 31 December 2013 were disclosed in note 10 to the Annual Report for 2013.

(f) Reconciliation of goodwill

	£m
Goodwill at 1 January 2014	736.8
Additions	20.4
Foreign exchange	(13.3)
Goodwill at 30 June 2014	**743.9**

10 Property, plant, equipment and software

(a) Additions and disposals
During the six months ended 30 June 2014, the Group acquired fixed assets with a cost of £55.0m (six months ended 30 June 2013: £61.4m; year ended 31 December 2013: £155.9m) including assets acquired through business combinations (note 9) of £2.9m (six months ended 30 June 2013: £0.4m; year ended 31 December 2013: £11.1m).

(b) Capital commitments
Contracts for capital expenditure which are not provided in these accounts amounted to £7.1m (at 30 June 2013: £8.7m; at 31 December 2013: £9.1m).

11 Related parties

There are no related party transactions in the period that have materially affected the financial position or performance of the Group. There are no changes in the related party transactions from those described in the last Annual Report.

12 Contingent liabilities

(a) Claims and litigation
The Group is involved in various claims and lawsuits incidental to the ordinary course of its business.

The outcome of the litigation and the timing of any potential liability cannot be readily foreseen. Based on information currently available, the Directors consider that the cost to the Group of an unfavourable outcome arising from such litigation is unlikely to have a materially adverse effect on the financial position of the Group in the foreseeable future.

(b) Tax
The Group operates in more than 100 countries and is subject to a wide range of complex tax laws and regulations. At any point in time it is normal for there to be a number of open years in any particular territory which may be subject to enquiry by local authorities. Where the effect of the laws and regulations is unclear, estimates are used in determining the liability for the tax to be paid on profits which are recognised in the financial statements. The Group considers the estimates, assumptions and judgements to be reasonable; but this can involve complex issues which may take a number of years to resolve. The final determination of prior year tax liabilities could be different from the estimates reflected in the financial statements.

13 Post balance sheet events

On 31 July 2014, the Group agreed an amendment and extension to its existing revolving credit facility. The facility was increased to US$800m and extended to June 2019 with an option to extend for a further two years subject to the agreement of lenders.

Notes to the Condensed Consolidated Interim Financial Statements

14 Approval

The Condensed Consolidated Interim Financial Statements were approved by the Board on 1 August 2014.