2006 Interim Results Presentation

4 September 2006

Wolfhart Hauser, Chief Executive Officer
Bill Spencer, Chief Financial Officer
www.intertek.com
Tel: +44 20 7396 3400
Cautionary Statement Regarding Forward-Looking Statements

Certain matters discussed in this presentation may constitute forward-looking statements. These statements involve inherent risks and uncertainties. A number of important factors could therefore cause actual future results to differ materially from those expressed or implied in any forward-looking statement. They are based on current expectations and estimates of Intertek and no assurance can be given that these expectations and estimates will be achieved. The actual results may differ materially in the future from the forward-looking statements included in this presentation.

The forward-looking statements contained in this presentation are made as of the date hereof and we assume no obligation to update any of the forward-looking statements contained in this document.

4 September 2006
Financial Performance

2006 Interim Results Presentation
4 September 2006
## Financial Highlights

For the six months to 30 June 2006

<table>
<thead>
<tr>
<th>Metric</th>
<th>Amount</th>
<th>Change</th>
<th>Change at constant (organic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£327.1m</td>
<td>Up 20.1% at actual</td>
<td>Up 15.1% at constant (organic 7.4%)</td>
</tr>
</tbody>
</table>
| Operating profit
  \(^1\)                        | £50.7m  | Up 16.6% at actual | Up 10.0% at constant (organic 2.0%) |
| Operating margin
  \(^1\)                          | 15.5%   | Down 50bp       |                             |
| Operating cash flow            | £47.3m  | Up 57.7%        |                             |
| Profit before tax             | £45.2m  | Up 17.4%        |                             |
| Earnings per share
  \(^2\)                       | 21.3p   | Up 13.9%        |                             |
| Interim dividend per share    | 4.6p    | Up 17.9%        |                             |

1) Excluding amortisation of intangibles £2.0m (H1 05: £0.8m), goodwill impairment £nil (H1 05: £2.0m)

2) Diluted adjusted earnings per share based on profit before amortisation of intangibles and goodwill impairment
GBP/USD Exchange Rates

June ytd 2005 Average = $1.88

June ytd 2006 Average = $1.78

## Profit Before Tax

<table>
<thead>
<tr>
<th>Half Year - £m</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted operating profit</td>
<td>50.7</td>
<td>43.5</td>
</tr>
<tr>
<td>Goodwill amortisation &amp; impairment</td>
<td>(2.0)</td>
<td>(2.8)</td>
</tr>
<tr>
<td>Statutory operating profit</td>
<td>48.7</td>
<td>40.7</td>
</tr>
<tr>
<td>Net Interest cost</td>
<td>(3.5)</td>
<td>(2.6)</td>
</tr>
<tr>
<td>Share of profits of associates</td>
<td>—</td>
<td>0.4</td>
</tr>
<tr>
<td>Profit before tax (up 17.4%)</td>
<td>45.2</td>
<td>38.5</td>
</tr>
<tr>
<td><strong>Interest cover</strong></td>
<td>13.9</td>
<td>15.7</td>
</tr>
</tbody>
</table>
## Taxation

<table>
<thead>
<tr>
<th>Half Year - £m</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before tax</td>
<td>45.2</td>
<td>38.5</td>
</tr>
<tr>
<td>Tax</td>
<td>(11.2)</td>
<td>(10.4)</td>
</tr>
<tr>
<td>Profit after tax (up 21%)</td>
<td>34.0</td>
<td>28.1</td>
</tr>
<tr>
<td>Reported tax rate</td>
<td>24.8%</td>
<td>27.0%</td>
</tr>
<tr>
<td>Normalised tax rate</td>
<td>24.0%</td>
<td>25.2%</td>
</tr>
</tbody>
</table>

Normalised tax rate before impairment of goodwill and amortisation of intangible assets
## Earnings & Dividends

<table>
<thead>
<tr>
<th>Half Year – pence</th>
<th>2006</th>
<th>2005</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EPS</td>
<td>21.3p</td>
<td>18.7p</td>
<td>Up 13.9%</td>
</tr>
<tr>
<td>Interim dividend per share</td>
<td>4.6p</td>
<td>3.9p</td>
<td>Up 17.9%</td>
</tr>
</tbody>
</table>

Adjusted earnings per share is fully diluted and based on profit before amortisation of intangibles and goodwill impairment.
## Operating Cash Flow

<table>
<thead>
<tr>
<th>Half Year - £m</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit</td>
<td>48.7</td>
<td>40.7</td>
</tr>
<tr>
<td>Add back depreciation and other non cash items</td>
<td>16.3</td>
<td>13.7</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>(17.7)</td>
<td>(24.4)</td>
</tr>
<tr>
<td>Operating cash flow (up 57.7%)</td>
<td>47.3</td>
<td>30.0</td>
</tr>
</tbody>
</table>

**Operating working capital to LTM sales**

| Operating working capital to LTM sales        | 9.5%  | 10.1% |

Working capital is business debtors plus stock, less business creditors.
Free Cash Flow

<table>
<thead>
<tr>
<th>Half Year - £m</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>47.3</td>
<td>30.0</td>
</tr>
<tr>
<td>Net Interest</td>
<td>(3.3)</td>
<td>(2.7)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(12.2)</td>
<td>(7.1)</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(20.2)</td>
<td>(11.6)</td>
</tr>
<tr>
<td>Free cash flow (up 34.9%)</td>
<td>11.6</td>
<td>8.6</td>
</tr>
<tr>
<td>Capital expenditure to LTM sales %</td>
<td>6.3%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>
## Balance Sheet

<table>
<thead>
<tr>
<th>Half Year - £m</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and lab equipment</td>
<td>123.1</td>
<td>93.1</td>
</tr>
<tr>
<td>Goodwill &amp; intangible assets</td>
<td>68.7</td>
<td>36.8</td>
</tr>
<tr>
<td>Other assets &amp; liabilities</td>
<td>30.5</td>
<td>25.1</td>
</tr>
<tr>
<td></td>
<td>222.3</td>
<td>155.0</td>
</tr>
<tr>
<td>Shareholder funds</td>
<td>70.7</td>
<td>27.1</td>
</tr>
<tr>
<td>Minority interests</td>
<td>8.6</td>
<td>6.7</td>
</tr>
<tr>
<td>Net borrowings</td>
<td>143.0</td>
<td>121.2</td>
</tr>
<tr>
<td></td>
<td>222.3</td>
<td>155.0</td>
</tr>
</tbody>
</table>
Acquisitions

• Completed two acquisitions in H1 2006, costing £9.8m (H1 05: £2.2m)
• Looking at many other opportunities
Wolfhart Hauser
Chief Executive Officer

Operating Performance
at constant exchange rates

Interim Results Presentation 4 September 2006
We support our customers in their global trade

Industries
- Toys
- Food
- Retail
- Textiles
- Footwear
- Hardlines

Division
- Consumer Goods
- Commercial & Electrical
- Oil, Chemical & Agri
- Government Services

Services
- Testing
- Certification
- Auditing
- Safety
- Inspection
- Evaluation
- Quality Assurance
- Advisory Services
- Analytical Services
- Training
- Outsourcing
Group results

<table>
<thead>
<tr>
<th>Half Year June</th>
<th>2006</th>
<th>Change</th>
<th>Organic Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>£m @ constant exchange rates</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>327.1</td>
<td>15.1%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>50.7</td>
<td>10.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Margin</td>
<td>15.5%</td>
<td>-70 bps</td>
<td>-80 bps</td>
</tr>
</tbody>
</table>

Operating profit excludes amortisation of intangible assets of £2.0m (H1 05: £0.8m) and goodwill impairment of £nil (H1 05: £2.0m)
The three larger divisions which account for 91% of revenues grew by 21%

<table>
<thead>
<tr>
<th>Division</th>
<th>% of HY Revenues</th>
<th>Revenue Growth</th>
<th>Profit Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Goods (Labtest)</td>
<td>23%</td>
<td>12.5%</td>
<td>11.1%</td>
</tr>
<tr>
<td>Commercial &amp; Electrical (ETL SEMKO)</td>
<td>27%</td>
<td>16.6%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Oil, Chemical &amp; Agri (Caleb Brett)</td>
<td>41%</td>
<td>28.7%</td>
<td>45.2%</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td><strong>91%</strong></td>
<td><strong>20.6%</strong></td>
<td><strong>20.5%</strong></td>
</tr>
<tr>
<td>Government Services (FTS)</td>
<td>9%</td>
<td>(22.0)%</td>
<td>(44.0)%</td>
</tr>
<tr>
<td>Central overheads</td>
<td>—</td>
<td>—</td>
<td>(4.4)%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>15.1%</strong></td>
<td><strong>10.0%</strong></td>
</tr>
</tbody>
</table>
We support our customers in their global trade

Industries

- Toys
- Food
- Retail
- Textiles
- Footwear
- Hardlines

Division

- Consumer Goods

Services

- Testing
- Safety
- Quality Assurance
- Analytical Services
- Certification
- Inspection
- Advisory Services
- Auditing
- Evaluation
- Training
- Outsourcing

Standards
- Fiscal Support
- Cargo Scanning
Consumer Goods

Good growth and stable margins

<table>
<thead>
<tr>
<th>£m @ constant exchange rates</th>
<th>Half Year 2006</th>
<th>Change</th>
<th>Organic Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>74.9</td>
<td>12.5%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>24.1</td>
<td>11.1%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Margin</td>
<td>32.2%</td>
<td>-40 bps</td>
<td>+50 bps</td>
</tr>
</tbody>
</table>
Consumer Goods

Good growth and stable margins…

• Strong growth in Toys and RoHS
• Textiles market stabilised
  – New quota systems in place
  – Tough comparables 1H on 1H
• Margin stable and over 30% as guided
  – Inspection margins stabilised
  – Textile and toys margins stable
…..with strong prospects

• Favourable underlying markets
  – Quota systems stabilised
  – Textiles testing drivers remain (quality, variety)
  – Environmental focus on products

• Continue to benefit from RoHS services

• Investment in new labs and staff
  – India, Vietnam, Guatemala, three new labs in China
  – 400 net new people in 1H

• Continue to be dominant market player

• Continuing good growth in China and India
We support our customers in their global trade.
## Good growth, continued investment

<table>
<thead>
<tr>
<th>£m @ constant exchange rates</th>
<th>Half Year 2006</th>
<th>Change</th>
<th>Organic Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>88.3</td>
<td>16.6%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>13.6</td>
<td>12.4%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Margin</td>
<td>15.4%</td>
<td>-60 bps</td>
<td>-130 bps</td>
</tr>
</tbody>
</table>
Good growth and continuing the build out ... 

- Strong growth in electrical, building and HVAC
- Strong growth in Asia and America. European testing migrating to Asia
- Margin off in 1H
  - Expansion of network in China, India - temporary margin effect
  - Slow down in US auto components testing market – temporary
  - 2005 adjustments eg Swedish pension rebate – permanent
... to ensure future returns

- Benefit from Asian investments
- Further opportunities to improve operational efficiencies
- Ongoing acquisitions to strengthen regions and services
  - February 2006 acquisition of EMC business of Akzo Nobel in Japan to give critical mass in key target country
- Automotive components testing
  - Restructured in US
  - Early mover investment in China to bring longer term rewards
We support our customers in their global trade
Excellent growth, 10% margin achieved

<table>
<thead>
<tr>
<th>£m @ constant exchange rates</th>
<th>Half Year 2006</th>
<th>Change</th>
<th>Organic Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>134.8</td>
<td>28.7%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>13.5</td>
<td>45.2%</td>
<td>21.5%</td>
</tr>
<tr>
<td>Margin</td>
<td>10.0%</td>
<td>+110 bps</td>
<td>+40 bps</td>
</tr>
</tbody>
</table>
Excellent growth, 10% margin achieved

• All sectors and regions performing well
• Analytical services now 41% of the division (36% Dec 05)
• Acquisitions integrated well and adding value
• Environmental regulations driving business
  – USA for ultra low sulphur diesel (ULSD)…early mover
  – Marine fuels
  – Bio-fuels and ethanol
Market conditions remain favourable

- High volumes of shipments of crude continue
- Bio-fuels will increase testing requirements
- New oil and minerals testing labs in China and Asia
- 1 September – DSM outsourcing contract 170 people
We support our customers in their global trade

**Industries**
- Toys
- Food
- Retail
- Textiles
- Footwear
- Hardlines
- IT
- Medical
- Building
- Telecom
- Industrial
- Automotive
- Home Appliances
- Minerals
- Oil & Gas
- Chemicals
- Agriculture
- Pharmaceutical

**Division**
- Consumer Goods
- Commercial & Electrical
- Oil, Chemical & Agr
- Standards
- Fiscal Support
- Cargo Scanning
- Government
- Services

**Services**
- Testing
- Safety
- Quality Assurance
- Analytical Services
- Certification
- Inspection
- Advisory Services
- Auditing
- Evaluation
- Training
- Outsourcing
## Government Services

### Reduced size, opportunities

<table>
<thead>
<tr>
<th>£m @ constant exchange rates</th>
<th>Half Year 2006</th>
<th>Change</th>
<th>Organic Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>29.1</td>
<td>(22.0)%</td>
<td>(22.0)%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>4.2</td>
<td>(44.0)%</td>
<td>(44.0)%</td>
</tr>
<tr>
<td>Margin</td>
<td>14.4%</td>
<td>-570 bps</td>
<td>-570 bps</td>
</tr>
</tbody>
</table>
Reduced size, opportunities

• Terminated contracts in Venezuela and Nigeria have reduced revenue by £10m 1H on 1H
  – Business immediately restructured with cost taken in 2005
• Excluding terminated contracts, revenue grew by 9%
• Further prospects in Standards and Scanning
The three main divisions are growing well, with many new opportunities.

We expect the good progress to continue in the second half.
Investor Day

• 11 October 2006 in our Sunbury laboratory, Surrey

• Operational management to present strategies and take questions
  – Paul Yao, CEO Consumer Goods
  – Rob Dilworth, CEO Commercial & Electrical, Government Services
  – Mark Loughead, CEO Oil, Chemical & Agri

• Laboratory tour and demonstrations