

2017 FULL YEAR RESULTS PRESENTATION

Continued Progress in Revenue, Margin and Cash

6 March 2018



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.

6 March 2018

AGENDA

01 Performance Highlights

02 **2017 Financial Results**

03 **2017 Strategic Update**

04 2018 Outlook by Division

05 Conclusion



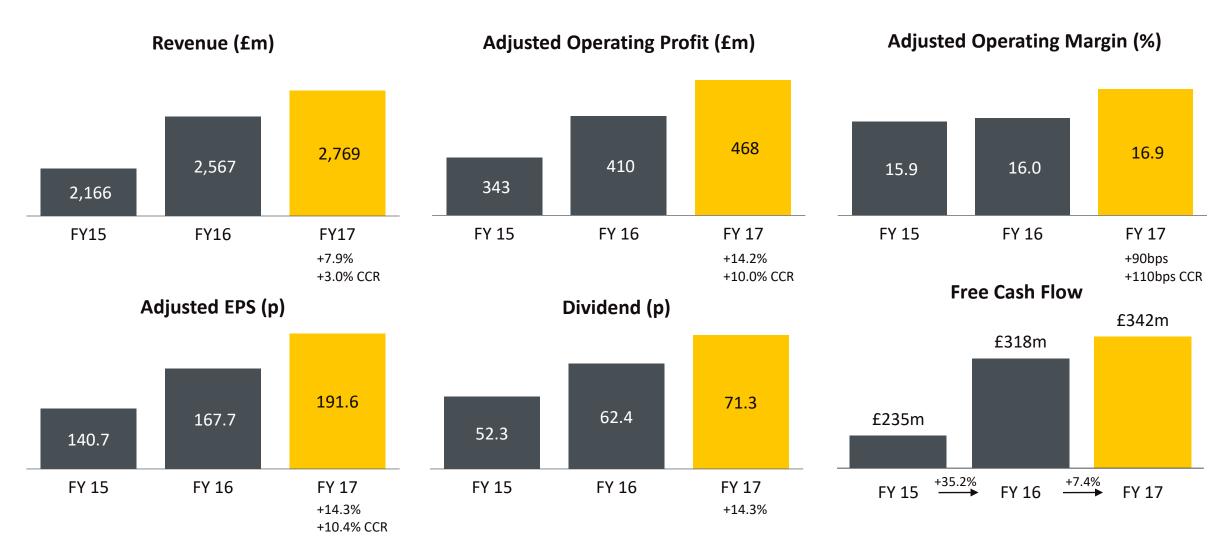
01

PERFORMANCE HIGHLIGHTS



CONTINUED PROGRESS IN REVENUE, MARGIN AND CASH





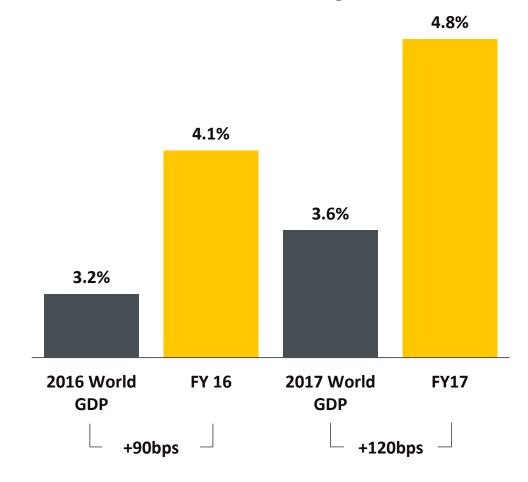
GDP+ ORGANIC GROWTH IN 94% OF EARNINGS



Organic growth at constant currency

	FY 16	FY 17	% of earnings ¹
Products	5.5%	5.5%	75%
Trade	1.3%	3.0%	19%
Products & Trade	4.1%	4.8%	94%
Resources	(13.0%)	(8.6%)	6%
Group	0.1%	2.1%	100%

GDP+ Products & Trade Organic Growth



ACQUISITIONS ACCELERATING REVENUE GROWTH





Veracidad que Genera Confianza.

Market leader in the provision of environmental water testing

services in Mexico

FIT-Italia
Food International Trust

Market leader in food assurance and inspection in Italy

FY16 EVVA

Leading provider of cyber security network assurance services

ACUMEN SECURITY Leading provider of product security certification solutions

FY17

OKJTECH

Leading provider of on-road vehicle testing services

£250m+ added in annual revenues from acquisitions since 2015



Non-Destructive Testing services for the energy industry across Australasia

Leading provider of materials testing and speciality construction inspection in New York

M Group

IDSII FY15

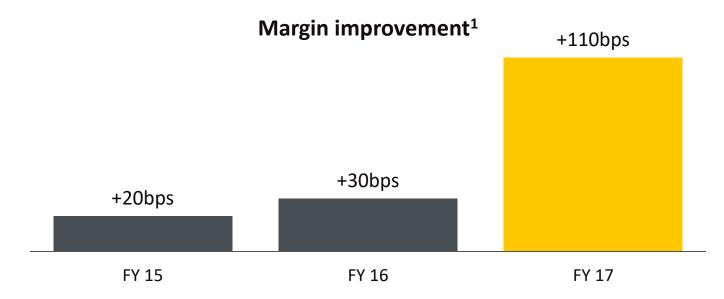
Leading US provider of testing and assurance services to commercial and civil construction markets Dansk Institut for Certificering

Leading certification body in Denmark with an established network and expertise in auditing,

certification and training

CONTINUOUS COST AND MARGIN DISCIPLINE

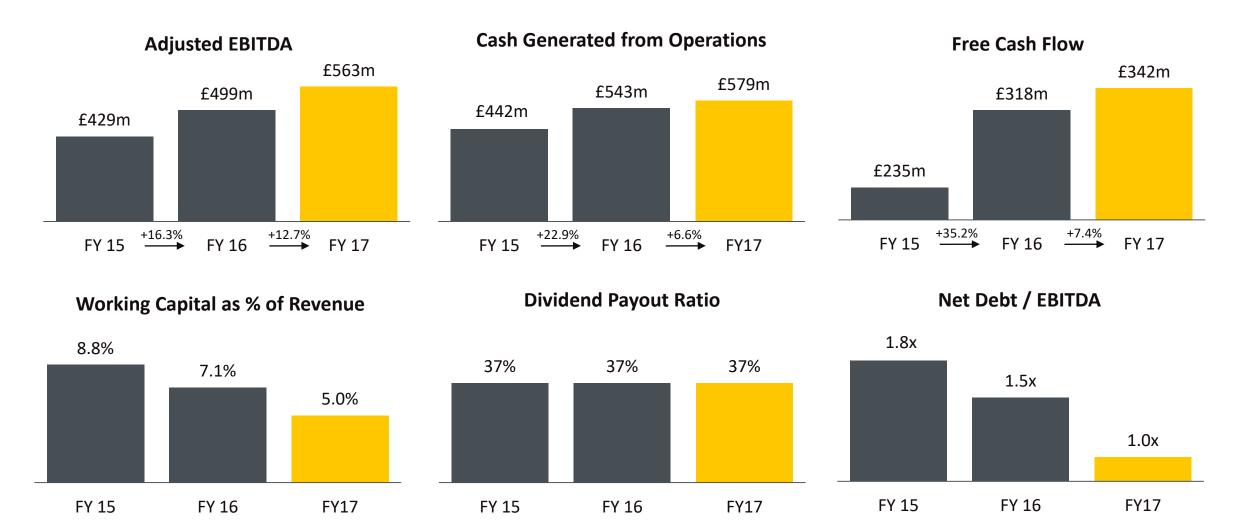




Cost	reduction ac	tivities	Productivity management	Portfolio strategy
	Headcount	Savings ²	 Monthly performance reviews for Top 30 countries/16 Business Lines 	Organic growth in Products and Trade
2015	200	£4m	Business Line and country	Margin accretive acquisitions
2016	550	£10m	benchmarking	 Strategic review of underperforming business units
2017	400	£7m	Site span of performance management	Consolidation of facilities

HIGHLY CASH GENERATIVE BUSINESS MODEL





ACCRETIVE DISCIPLINED ALLOCATION OF CAPITAL



01

Capex and working capital investment to support organic growth (target c.5% of revenue in capex)

Sustainable shareholder returns through payment of progressive dividends based on a target payout ratio of c.50%

02

03

M&A focused on strong growth and margin prospects in businesses with leading market positions or in new attractive growth areas, geographies or services

Efficient balance sheet with flexibility to invest in growth with Net Debt / EBITDA target of circa 1.5x - 2.0x

04

02

2017 FINANCIAL RESULTS



KEY FINANCIALS

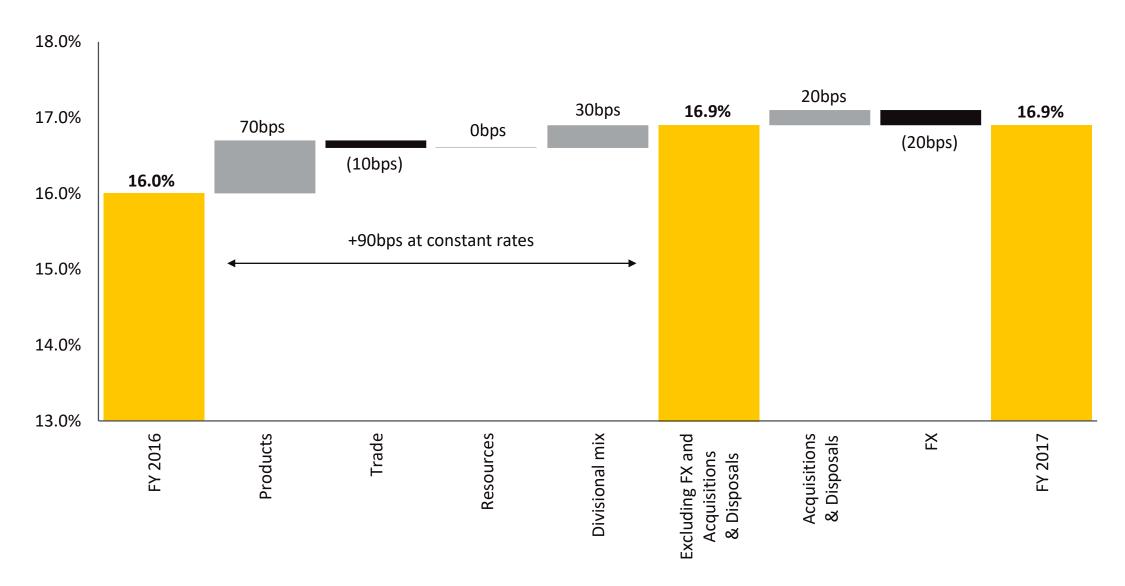


		YoY %	
	FY 17	Actual Rates	Constant Rates
Revenue	£2,769m	7.9%	3.0%
Organic revenue ¹	£2,733m	6.9%	2.1%
Operating profit ²	£468m	14.2%	10.0%
Operating profit margin ²	16.9%	90bps	110bps
Adjusted Diluted EPS ²	191.6p	14.3%	10.4%
Free cash flow	£342m	7.4% increase	

Notes: (1) Organic revenue excludes the impact of acquisitions and disposals in 2016 and 2017; (2) Before separately disclosed items

OPERATING MARGIN BRIDGE





CASH FLOW & NET DEBT



£m @ actual exchange rates	FY 16	FY 17
Adjusted operating profit ¹	409.7	467.7
Depreciation/amortisation	89.5	94.8
Change in working capital	52.4	19.7
Other ²	13.7	13.9
Adjusted cash flow from operations	565.3	596.1
Net capex	(102.5)	(109.7)
Other ³	(144.7)	(144.8)
Free cash flow	318.1	341.6

14.2% at actual rates

Increase in Free Cash Flow of 7.4%

Acquisitions⁴ (34.8) (27.4)

Net debt 743.7 544.1

• Net debt / EBITDA ratio 1.0x

Notes:

⁽¹⁾ Before Separately Disclosed Items; (2) Comprises Special Pension payments, add back Equity Settled transactions and other Non-Cash Items; (3) Comprises: Exceptionals, Interest Paid/Received and Tax; (4) Total cash consideration in FY17 for 2017 acquisitions £29.5m, with cash acquired of £2.1m

FINANCIAL GUIDANCE



	FY 2018 Guidance
Net finance cost	£25 – 27m
Effective tax rate	25.5 – 26.0%
Minority interest	c.£20m
Diluted shares (as at 31 December 2017)	163.0m
Capex	£130 – 140m
Net Debt	£400 – 450m

Note: Before any material change in FX rates and any additional M&A

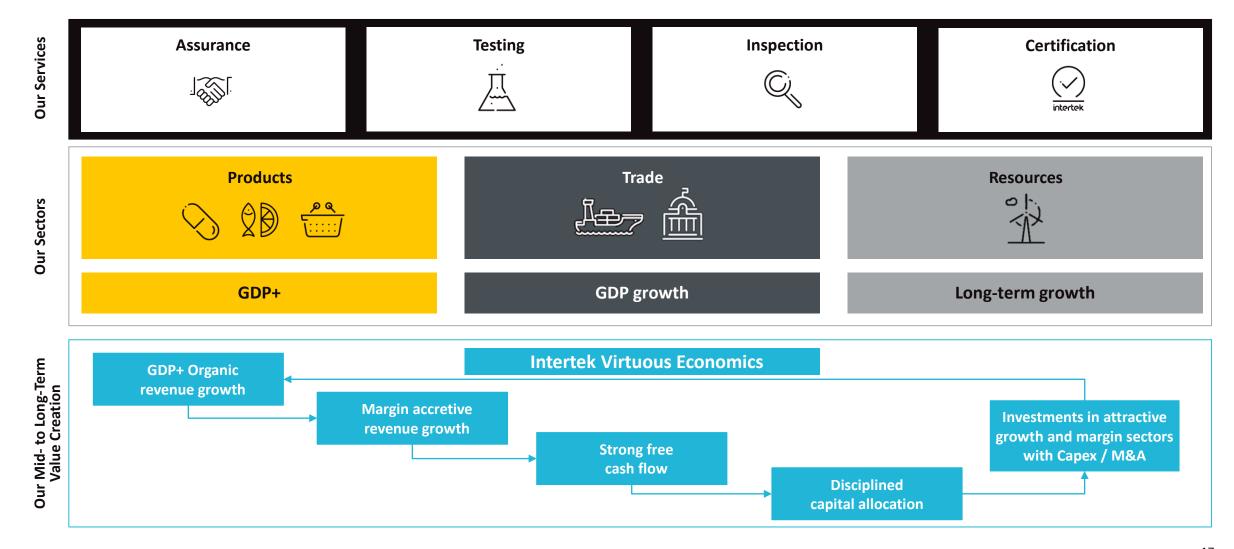
03

2017 STRATEGIC UPDATE



INTERTEK HIGH QUALITY EARNINGS MODEL





ATTRACTIVE STRUCTURAL GROWTH DRIVERS



Prod	ucts	Trade		Resources	
59% of Revenue	75% of Profit	23% of Revenue	19% of Profit	18% of Revenue	6% of Profit
Increased number of Brands & SKUs	Faster innovation cycle	Population growth	GDP growth	Long term demand for energy	Investment in infrastructure
Increased regulation	Increased consumer focus on sustainable products	Development of regional trade	Growth in transport infrastructure	Supply chain risk management	Growth in alternative energy
Improvements in safety, performance and quality	Increased corporation focus on risk management	Increased focus on traceability	Growth in port infrastructure	Sustainability of energy supply	Focus on health & safety
75% of Group profit based on GDP agnostic growth drivers		19% of Group profit based on global trade growth		6% of Group profit based	
GDP+		GDP growth		Long-term growth	

5X5 DIFFERENTIATED STRATEGY FOR GROWTH



5x5 Strategic Goals



Fully engaged employees working in a safe environment



Superior customer service in Assurance, Testing, Inspection and Certification



Margin accretive revenue growth based on GDP+ organic growth



Strong cash conversion from operations



Accretive, disciplined capital allocation policy

5 Strategic Priorities



Differentiated Brand Proposition



Superior Customer Service



Effective Sales Strategy



Growth and Margin Accretive Portfolio



Operational Excellence

5 Enablers



Living Our Customer Centric Culture



Disciplined Performance Management



Superior Technology



Energising Our People



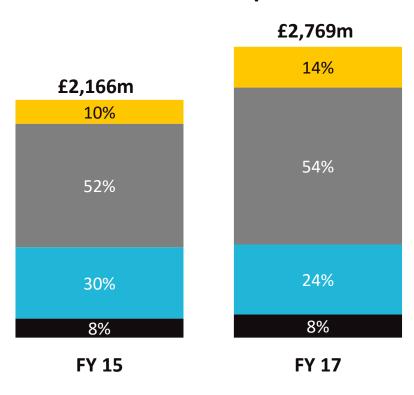
Delivering Sustainable Results

INTERTEK TQA VALUE PROPOSITION





ATIC Revenue Split





5X5 DIFFERENTIATED STRATEGY FOR GROWTH IN ACTION

INTERTEK MARGIN MANAGEMENT



1. ORGANISATION ENGAGEMENT



Clear Strategic Goals



Fully engaged employees working in a safe environment

Superior customer service in Assurance, Testing, Inspection and Certification

Margin accretive revenue growth based on GDP+ organic growth

Strong cash conversion from operations

Accretive, disciplined capital allocation policy

Organisation Alignment

Communicating the Importance of Putting the Customer 1st

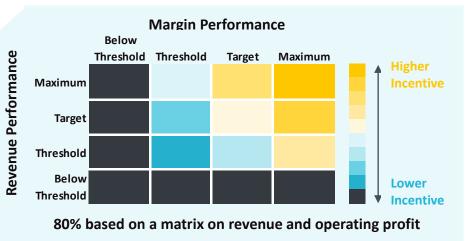
Management Leading from the Front

Achievements Recognition

Peer to Peer Best Practice

Training and Coaching

Aligned Incentive Plan



20% based on return on invested capital

2. SUPERIOR CUSTOMER SERVICE UNDERPINNING STRONG PRICING POWER





Entrepreneurial, putting the Customer 1st



Total Quality Assurance

Assurance | Testing | Inspection | Certification









Data Intelligence

Benchmarking by site, service, and customer



Net Promoter Score

Listening to c.7,000 customers per month



TQA Value Delivery

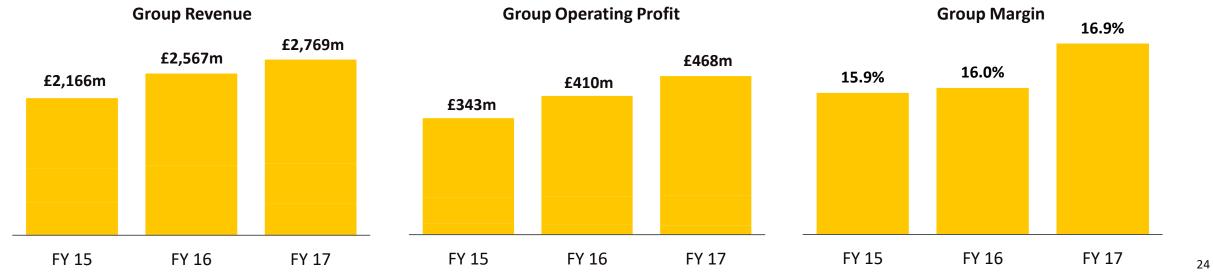
Disciplined operating processes and continuous innovation



3. A GROWTH AND MARGIN ACCRETIVE PORTFOLIO STRATEGY



1 Grow Scale Businesses	2 Invest in Fast Growing Businesses	3 Improve Performance	4 Portfolio Review	5 M&A
• Softlines	Business Assurance	• Industry Services	Strategic portfolio review	 Focused on attractive growth and margin prospects
• Hardlines	• AgriWorld	• Minerals	 38 business units reviewed in 	and margin prospects
Electrical & Network Assurance	Building & Construction		2017	 Businesses with strong IP and market leadership positions
Cargo & Analytical Assessment	• Transportation Technologies		 8 business units closed 	
Government & Trade Services	• Food		 30 business units restructured 	 Highly cash generative business models and strong balance sheets



4. SYSTEMIC PERFORMANCE MANAGEMENT



Disciplined Performance Management Calendar					
Weekly	Monthly Qua		Yearly	5 Year Plan	
Financial Metrics			Operation	nal Metrics	
Revenue Growth	Pricing Power		Marketing Leads	Health and Safety	
Margin	Working Capital		Customer Retention	Sales Funnel	
ROCE	Capital Allocation		Customer Acquisitions	Back Log Management	
Cash Conversion	Cost		Employee Turnover	Net Promoter Score	
Customer Profitability	Investments in Growth		Operational Excellence	Site Capacity Utilisation	

5. INNOVATION AND KAIZEN

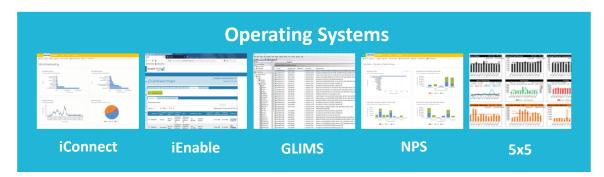


INNOVATIONS: CUSTOMER FACING MARGIN ACCRETIVE SOLUTIONS





KAIZEN: OPERATIONAL MARGIN ACCRETIVE SOLUTIONS





04 **2018 OUTLOOK BY DIVISION**

GROUP OUTLOOK 2018

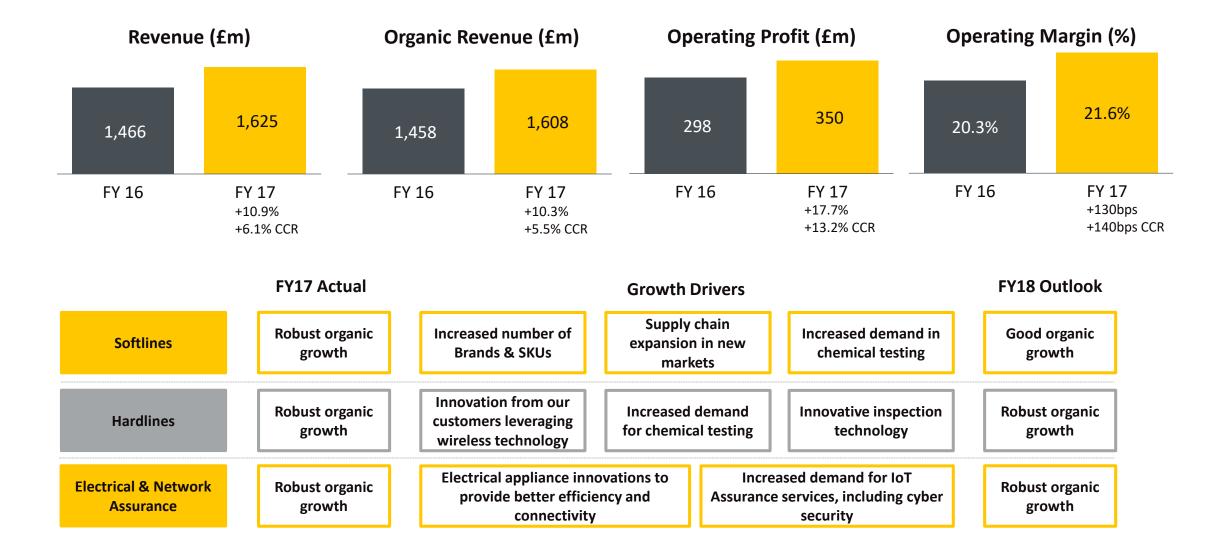


- Good organic revenue growth at constant currency with sequential progression throughout the year
 - Robust growth momentum in Products
 - Solid growth expected in Trade
 - Continuing challenging trading conditions in Resources in H1 18 and gradual improvement expected in H2 18
- Moderate Group margin progression
 - Portfolio strategy
 - Continuous cost discipline
 - Performance management
- Strong cash conversion
- Capex: £130-140m
- Net debt: £400-450m¹



EXCELLENT PERFORMANCE IN PRODUCTS WITH STRONG MARGIN ACCRETIVE REVENUE GROWTH





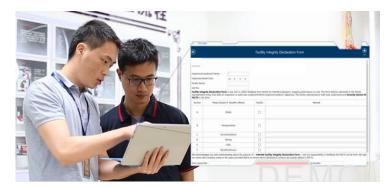
EXCELLENT PERFORMANCE IN PRODUCTS WITH STRONG MARGIN ACCRETIVE REVENUE GROWTH



	FY17 Actual	Growth Drivers	FY18 Outlook	
Double-digit organic growth		Increased focus of corporations on supply chain and risk management ISO standards government focus on ethical and sustainable supply	Double-digit organic growt	
Building & Construction	Good organic growth	Growing demand for greener, safer and higher quality commercial buildings Increased investment in large infrastructure projects	Good organic growth	
Transportation Technology	Stable organic growth	Continued investment of our clients in new models and new fuel efficient engines Growth in the hybrid / electric engine scrutiny on emissions	Good organic growth	
Food	Good organic growth	Continuous food innovation Increased focus on the service assurance business	Good organic growth	
Chemicals and Pharma	Solid organic growth	Growth of SKUs Expansion of the supply product safety and traceability	Solid organic growth	

INNOVATIONS: PRODUCTS





i2Q

- Customer insight: Customers value fast reports and insights from supplier inspections with differing reporting requirements by client
- Softlines and Hardlines innovation: Intertek has developed i2Q, a market leading digital inspection solution for supplier product inspections using big data to generate advanced insights for customers
- Customer benefit: Provides same-day real-time reporting via Intertek's unique smart protocol and reports that are bespoke for each customer



Softlines Robotic Automation

- Customer insight: For Softlines customers, speed to market is a competitive advantage and they value innovations that can make the testing process faster
- Softlines innovation: Intertek has introduced a sixaxis robot in its fibre content tests which can be used to speed up processes when there is chemical contamination risk, improving safety for technicians and allowing them to focus on more analytical work
- Customer benefit: Shortens turnaround time, allowing customers to get their products to market faster

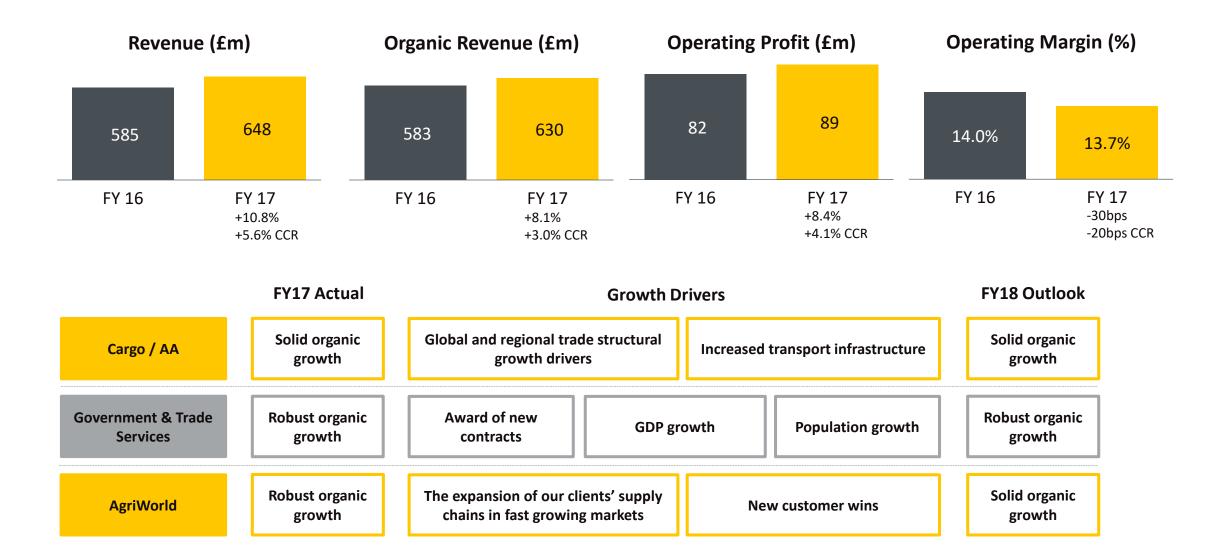


Connected and Automated Vehicle Proving Grounds

- Customer insight: Rigorous testing of autonomous vehicles is required to ensure that the technology is safe for consumers and the public
- Transportation Technology innovation: Intertek have partnered with the American Center for Mobility (ACM) to provide an extensive range of ATIC services for their new 500-acre autonomous vehicle proving grounds
- Customer benefit: The partnership between ACM and Intertek will create a market leading centre for autonomous and connected vehicle testing

GOOD MOMENTUM IN TRADE WITH IMPROVED ORGANIC GROWTH





INNOVATIONS: TRADE





iDocs

- Customer insight: Agriculture export processes are complex and time consuming with multiple stages of approval and documentation
- AgriWorld innovation: Intertek has developed a cloud-based export documentation system, that monitors the export process and provides customers with real-time updates on their documentation progress
- Customer benefit: Fast and real-time information on the progress of their exports enabling clients to take any action required as quickly as possible



Fuel Tank Inspection Robot

- Customer insight: Fuel tank inspections can be costly and time-consuming, due to the sensitive environment within the tank and stringent safety requirements
- Cargo/AA and Electrical & Network Assurance innovation: Intertek has partnered with the developers of a fuel tank inspection robot to develop a new inspection process that involves hydrostatic testing, functional safety certification, and bespoke evaluations of other features all in a single piece of equipment
- Customer benefit: The combination of all the features offered by one system is unique, enabling our customers to achieve safety and compliance more quickly and efficiently



Stockpile Measurement

- Customer insight: Customers rely on the accurate measurement of their oil stockpiles to value their oil stock
- Cargo & AA innovation: Intertek's experts have developed new, patented methodology, that takes into account the various layers of density and compression with a stockpile to improve the measurement accuracy
- Customer benefit: More reliable data provides customers with the assurance that stocks are valued with precision and customers assets are reported with accuracy

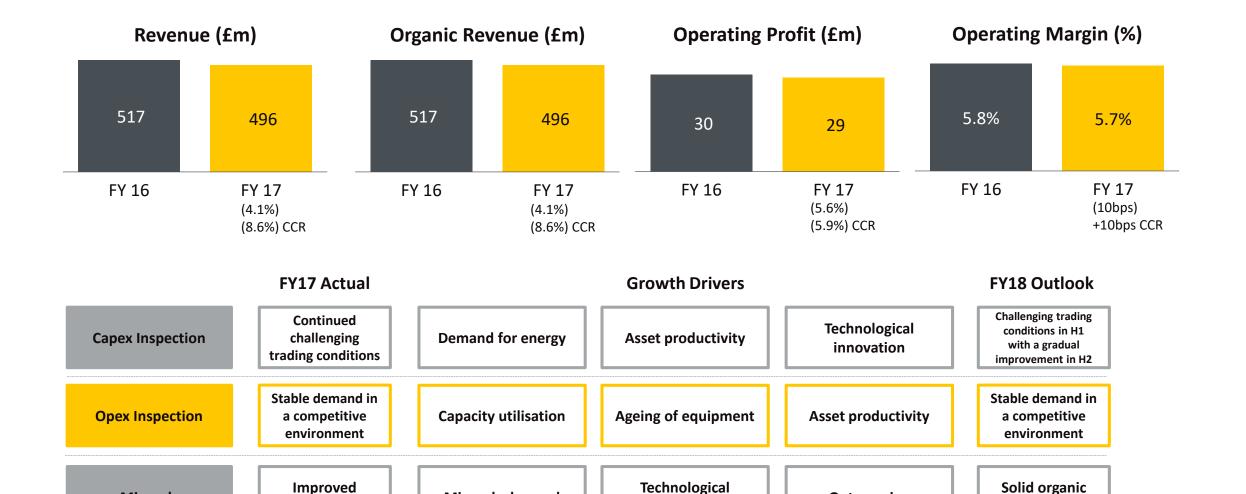
CONTINUOUS CHALLENGING TRADING CONDITIONS IN RESOURCES

Minerals demand

Minerals

demand





innovation

Outsourcing

growth

INNOVATIONS: RESOURCES





Intertek PipeAware™

- Customer insight: Pipeline asset owners require a way in which to accurately track and monitor vital asset information
- Industry Services innovation: Intertek has developed Intertek PipeAware[™], an industry leading software solution that allows customers to access real-time information on their asset inspection data throughout all stages of manufacturing
- Customer benefit: With Intertek PipeAwareTM, customers are provided with a unique solution which combines the traceability software with inspection expertise, so customers achieve full transparency into the pipe manufacturing process



Drones Deliver Industrial Asset Inspection Services

- Customer insight: Industrial asset owners require inspections to ensure that their assets are operating safely and reliably
- Industry Services innovation: Intertek has partnered with Unmanned Eagle Eye in the US, to develop the use of drone technology as an inspection aid during the capital inspection process
- Customer benefit: Using drones reduces the time that operations must be shut-down and improves safety through reduced need for human entry to the equipment or assets being inspected, which are often difficult to reach



Robotic mine site laboratories

- Customer insight: Minerals customers value fast, consistent and accurate testing of their extracted commodities
- Minerals innovation: Intertek is the largest commercial operator of automated robotic mine site laboratories globally, ranging from individual cells to fully integrated and highly bespoke laboratory systems
- Customer benefit: By operating complex robotic laboratories for customers we provide rapid sample throughput, improved efficiency and a comprehensive audit trail, whilst also reducing employees' exposure to hazardous materials

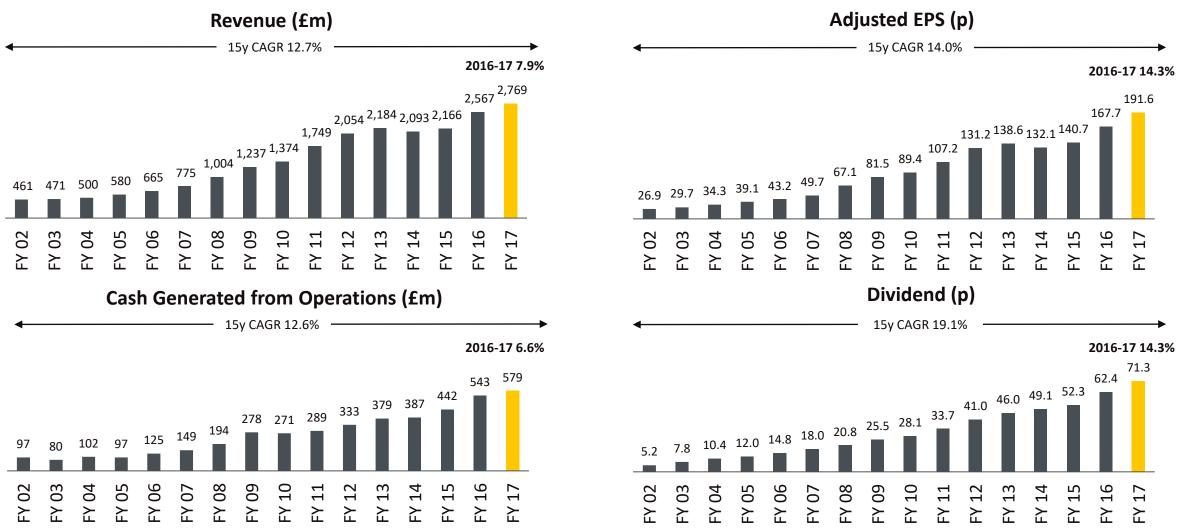
05

CONCLUSION



TRACK RECORD OF SUSTAINABLE SHAREHOLDER VALUE CREATION





HIGH QUALITY EARNINGS MODEL



- Continued progress in 2017 on revenue, margin, cash and returns
- TQA Value Proposition delivering superior customer service
- GDP+ organic revenue growth outlook in real terms with attractive structural growth drivers:

Products	Trade	Resources
75% of Group profit based on GDP agnostic growth drivers	19% of Group profit based on global trade growth	6% of Group profit based on global growth drivers in the energy sector

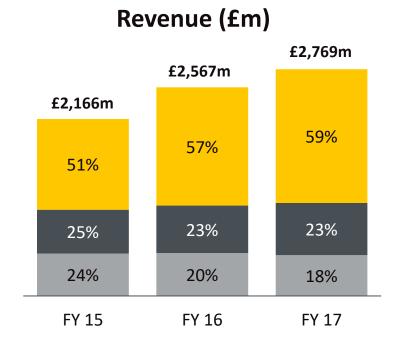
- Disciplined margin and cash performance
- M&A targeting businesses with attractive growth and margin prospects

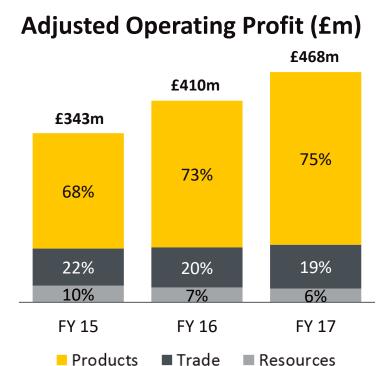
"Excellent progress on performance and strategy in 2017......attractive organic and inorganic growth opportunities ahead"

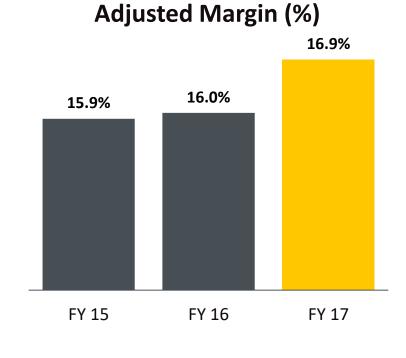


GROUP PERFORMANCE (2015 – 2017)









		Margin	
	FY 15	FY 16	FY 17
Products	21.1%	20.3%	21.6%
Trade	14.1%	14.0%	13.7%
Resources	6.5%	5.8%	5.7%
Group	15.9%	16.0%	16.9%

	Key Metrics 2017	
% Group Revenue	% Group Profit	Organic Revenue Growth ¹
59%	75%	5.5%
23%	19%	3.0%
18%	6%	(8.6%)
100%	100%	2.1%

ADJUSTED EPS



£m @ actual exchange rates	FY 16	FY 17	
Adjusted operating profit ¹	409.7	467.7	+14.2%
Net interest expense	(22.4)	(28.9)	
Profit before tax	387.3	438.8	
Tax 24.5% (25.3%)	(98.0)	(107.5)	
Profit after tax	289.3	331.3	
Non-controlling interest	(16.6)	(19.0)	
Net profit	272.7	312.3	
Fully diluted shares (m)	162.6	163.0	
Earnings per share (GBp)	167.7	191.6	+14.3%
Dividend (GBp)	62.4	71.3	+14.3%

MARGIN ACCRETIVE SOLUTIONS

INNOVATIONS: CUSTOMER FACING

Digital Based Innovations

- Inlight: Cloud based end-to-end supply chain risk management solution
- eReporting: Bespoke customer reporting system
- Astra: Client EDI export workflow software
- SMART: Industry agnostic tool for flexible and scalable audit programmes
- Lifecycle Assessments (LCA): Determining the sustainability of products
- iDocs: AgriWorld real-time certification approval system
- iPort: Cloud based tool to manage trade certification
- Intertek PipeAwareTM: Accurate and accessible supplier data for the Pipeline Industry
- i2Q: Hardlines product inspection portal
- iSwim: Digital cargo inspection management platform

KAIZEN: OPERATIONAL

Operating Systems

- iConnect: Intertek's global customer relationship management system
- **iEnable:** Providing global reports & intelligence for 3rd party audits
- **GLIMS:** Global Laboratory Information Management System
- NPS: Net Promoter Score to measure customer satisfaction
- **5x5:** Intertek's proprietary global performance management tool



Technology Based Innovations

- Inspection Robots: Delivering inspections with improved safety and efficiency
- Autonomous Vehicles: Developing our connected & autonomous vehicle service offering
- Drone Inspections: Using drone technology to support industrial capex inspections
- Automated Lab Robotics: to speed up processes and reduce risk
- Cutting-Edge Technology: to deliver new and differentiated solutions
- 3D Metrology: Software to determine wear-and-tear on industrial assets
- IoT / Cyber Security: Qi wireless charging lab and acquisitions to develop Cyber Security offerings
- Interpret: Uses big data analytics to predict hydrocarbon composition
- Sensor Based Technology: Utilising sensor based technology in inspection services
- Soil Manager App: Enabling remote access to a range of agricultural services

Shared Services Systems

- Financial Shared Service Centres: In Guangzhou, China and Delhi, India
- Evolution: Intertek's global job coordination platform
- Core Mandatory Controls: Consistent global controls framework
- Contract Approval App: Contract approval app
- Sustainability Software: Cloud-based global sustainability reporting tool

THE QUALITY ASSURANCE INDUSTRY IS EVOLVING FROM TIC TO ATIC



	SUPPLY		PRODU	ICTION	DISTR	RIBUTION		RETAIL	
TIER 3	TIER 2	TIER 1	3RD PARTY	OWNED	TRANSPORTATION	DISTRIBUTION CENTRES	IN-STORE	ONLINE	CONSUMER
(2) (2) (2) (3) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4	W vitortek							A Q LINE TO THE TOTAL TO	

Testing

Testing is evaluating how products and services meet and exceed quality, safety, sustainability and performance standards





Inspection

Inspection is validating the specifications, value and safety of raw materials, products and assets





Certification

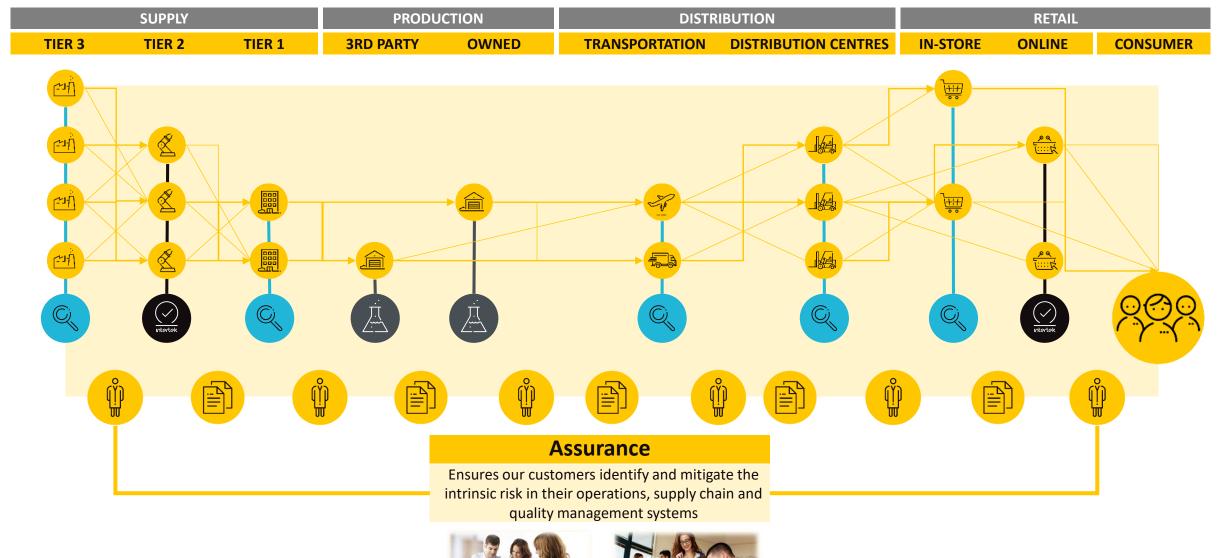
Certification is certifying that products and services meet trusted standards





THE QUALITY ASSURANCE INDUSTRY IS EVOLVING FROM TIC TO ATIC



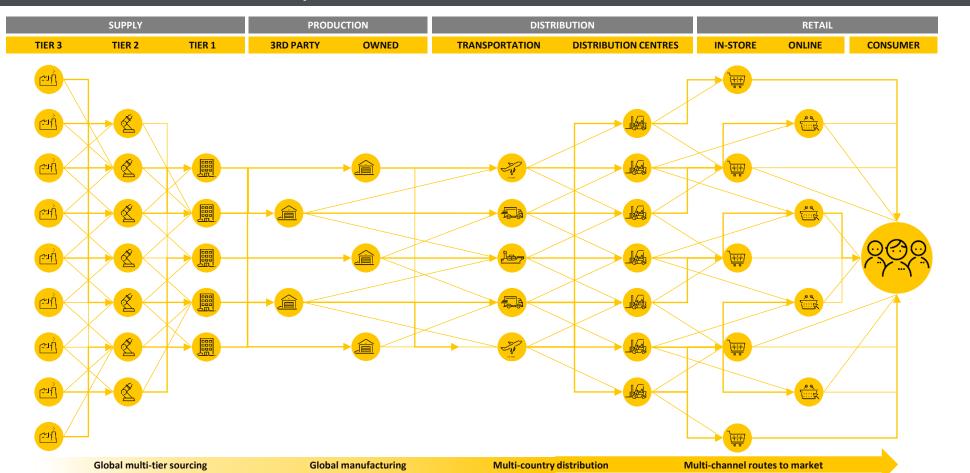


INTERTEK PROVIDES GLOBAL TOTAL QUALITY ASSURANCE: A + T + 1 +





TIC PROVIDES QUALITY & SAFETY CONTROLS IN HIGH RISK AREAS



ASSURANCE PROVIDES AN END-TO-END ASSESSMENT OF QUALITY & SAFETY PROCESSES

INTERTEK PROVIDES A DEPTH AND BREADTH OF ATIC SOLUTIONS



Assurance



Management Systems

Benchmarking in Quality & Performance

Sustainability & Environment

Facility / Plant & Equipment

Legal & Regulatory

Product Development

Vendor Compliance

Corporate Social Responsibility

Failure Investigation

Laboratory Outsourcing

Risk Management

Supply Chain Assessment

Network Assurance

Testing



Softlines

Hardlines

Automotive

Biofuels

Building & Construction

Chemicals & Pharma

Electrical

Food

Health & Beauty

Minerals

Packaging

Pharmaceutical

Oil & Gas

Inspection



Agriculture

Asset Integrity

Building & Construction

Chemical & Petrochemical

Electrical

Exporter & Importer

Field Labelling

Industrial

Minerals

Oil & Gas

Site Construction

Textile & Apparel

Certification



Appliance & Electronic

Aerospace & Automotive

Building & Construction

Conformity by Country

Eco-Textile

Food & Food Services

Hazardous Locations

HVACR¹

Industrial Equipment

IT & Telecoms

Life Safety & Security

Lighting

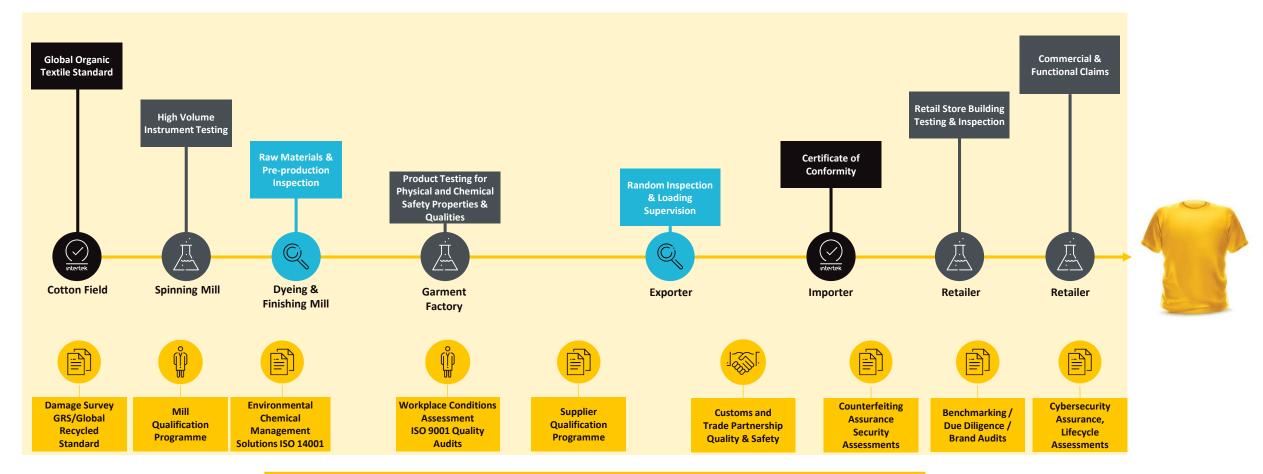
Medical Devices



T-SHIRT GLOBAL OPERATIONS – SYSTEMIC RISK MANAGEMENT



	SUPPLY		PRODU	CTION	DISTR	DISTRIBUTION RETAIL		TAIL	
TIER 3	TIER 2	TIER 1	3RD PARTY	OWNED	TRANSPORTATION	DISTRIBUTION CENTRES	IN-STORE	ONLINE	CONSUMER







LIGHTBULB GLOBAL OPERATIONS – SYSTEMIC RISK MANAGEMENT



	SUPPLY		PROD	DUCTION	DIS	TRIBUTION		RETAIL	
TIER 3	TIER 2	TIER 1	3RD PARTY	OWNED	TRANSPORTATION	DISTRIBUTION CENTRES	IN-STORE	ONLINE	CONSUMER
Physical Testing & Chemical Analysis Copper Mine	Hazardous Material Assessment	Global Safety Certification Virture Manufacturing	Energy Efficiency Testing Manufacturing	loT services Manufacturing	Transportation testing Haulier	Green Packaging Claim Certification Victorial Control	Market Surveillance Inspecting On-Sale Product Quality Retailer	Commercial & Functional Claims Retailer	
			P				P	(i)	
Damage Survey	Environmental Modelling	Quality/Health & Safety, Environmental Audits	Factory Working Conditions	Global Market Access Assurance	Fyaluation	Global Security Verification Services Services	Benchmarking	Product Returns Analysis	





CAR GLOBAL OPERATIONS – SYSTEMIC RISK MANAGEMENT



	SUPPLY		PRODUCTION	DISTRIBUTION		RETAIL
TIER 3	TIER 2	TIER 1	OEM	TRANSPORTATION DISTRIBUTION CENTRES	OEM	CONSUMER

