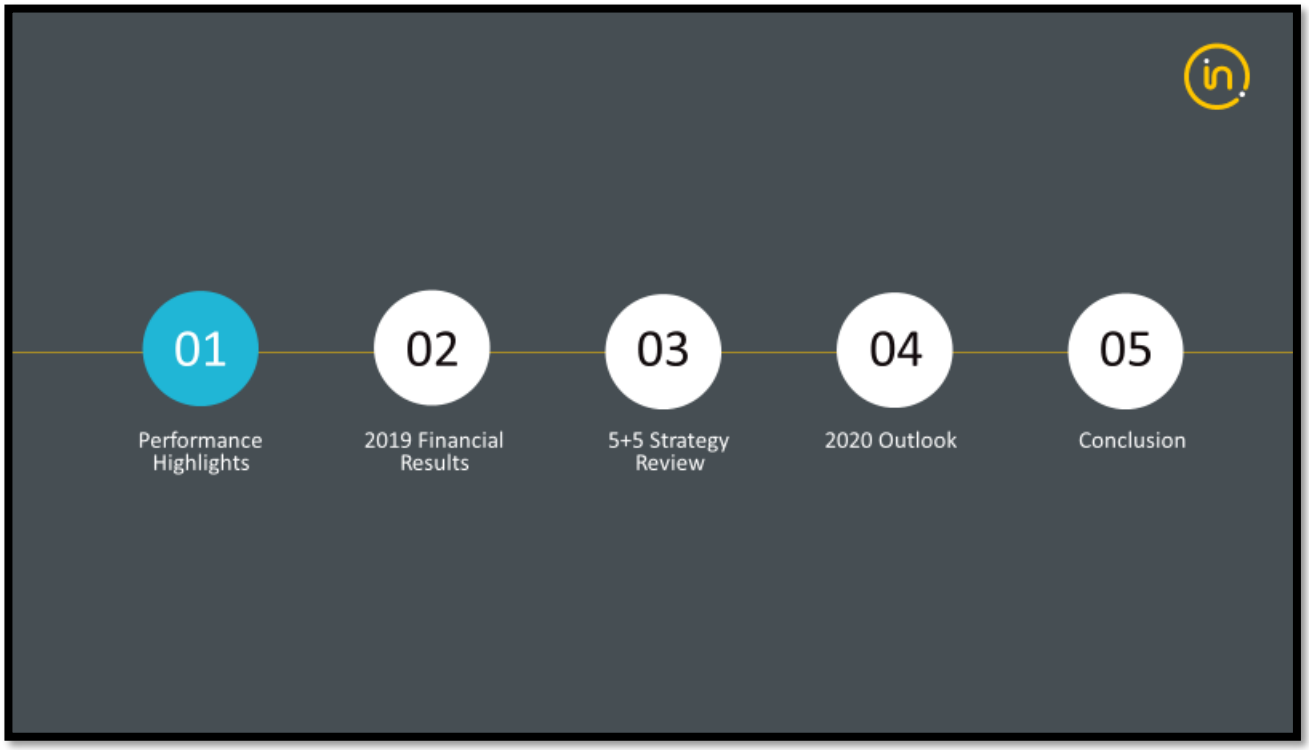
Good morning to you all and thanks for joining our conference call.

Ross McCluskey, our CFO and Denis Moreau, our VP of Investor Relations are with me on the call.

This morning we announced a strong set of results for 2019 with revenue acceleration, robust EPS growth, strong cash generation and a higher ROIC.

2019 marks the 5th consecutive year of an EPS delivery ahead of – or in line with - expectations.

We are extremely pleased with the consistent performance of the Group in the last 5 years, delivering value for all our stakeholders, inspired by our purpose of Bringing Quality, Safety and Sustainability to Life.



Today, I will:

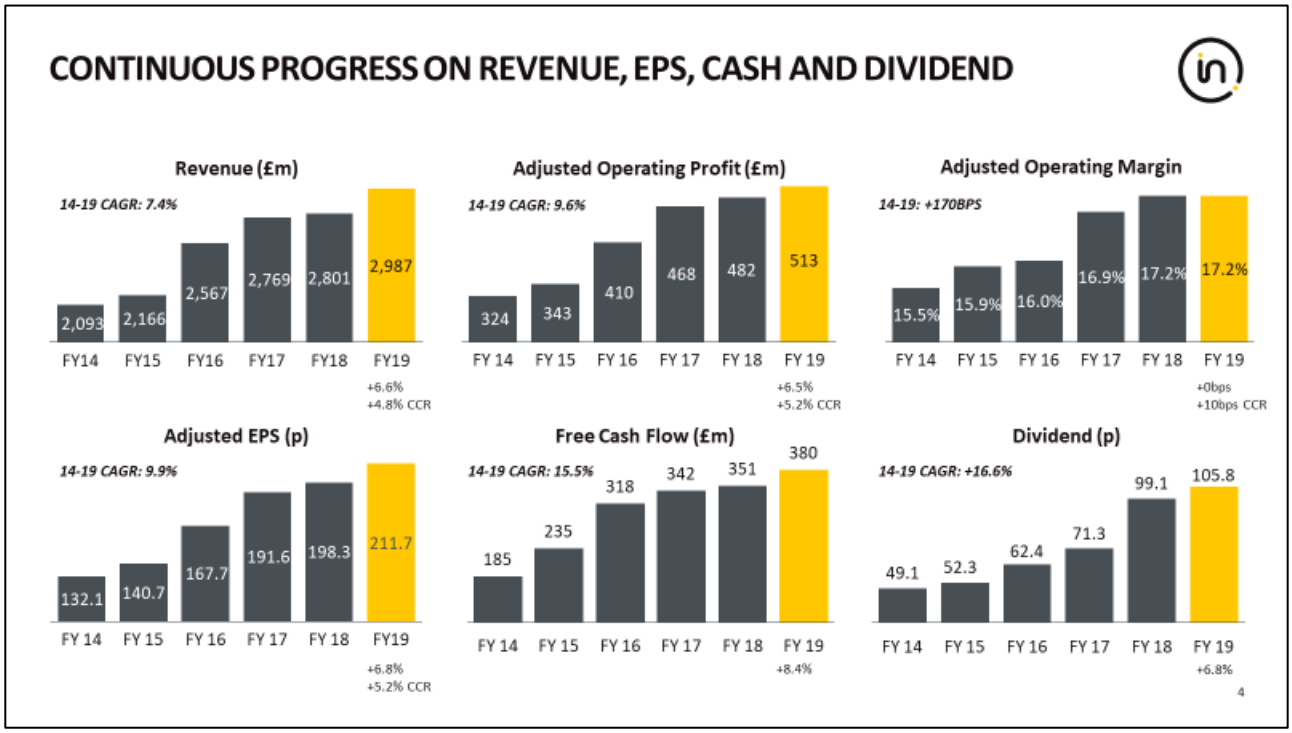
- Start with our performance highlights for 2019;
- Ross will then take you through the detailed financial results;
- I will then provide you with an update on strategy;
- Finally, we will discuss the outlook for 2020.

Before we start, I would like to give an update on the approach we are taking in relation to the changes in accounting standards.

For reporting consistency purposes, the numbers we will discuss in our presentation are based on IAS 17.

Given that the 2019 full year numbers are available under both standards, we will now be guiding under IFRS 16.

Let’s start with our performance highlights in 2019…



In 2019, we continued to make progress on Revenue, EPS, Cash and Dividends.

The Group generated revenues of £3.0bn, up YOY by 6.6% at actual currency and 4.8% at constant currency, driven by good organic growth of 3.3% and by the contribution of recent acquisitions.

Our operating profit of £513m was up 6.5% at actual currency and 5.2% at constant currency.

We delivered an operating margin of 17.2%, flat at actual rates and up 10bps at constant currency.

Our full year adjusted EPS of 211.7p was up 6.8% at actual currency and 5.2% at constant currency.

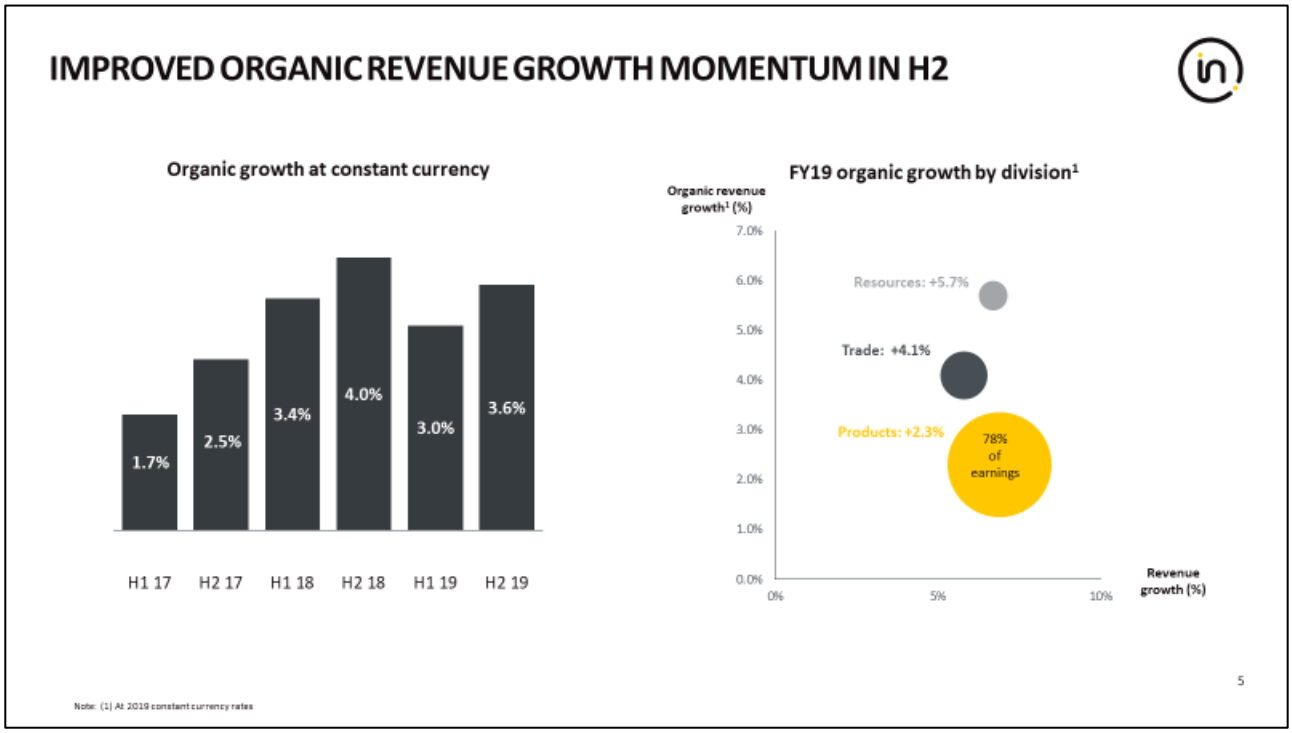
In line with our dividend policy that targets a payout ratio of circa 50% of earnings, we have announced a proposed final dividend of 71.6p, taking the full year dividend to 105.8p, an increase year on year of 6.8%.

Our cash conversion was strong with a free cash flow of £380m, up 8% YoY.

We are pleased with the consistent performance delivery of the Group, underpinned by our strong earnings model and disciplined performance management approach.

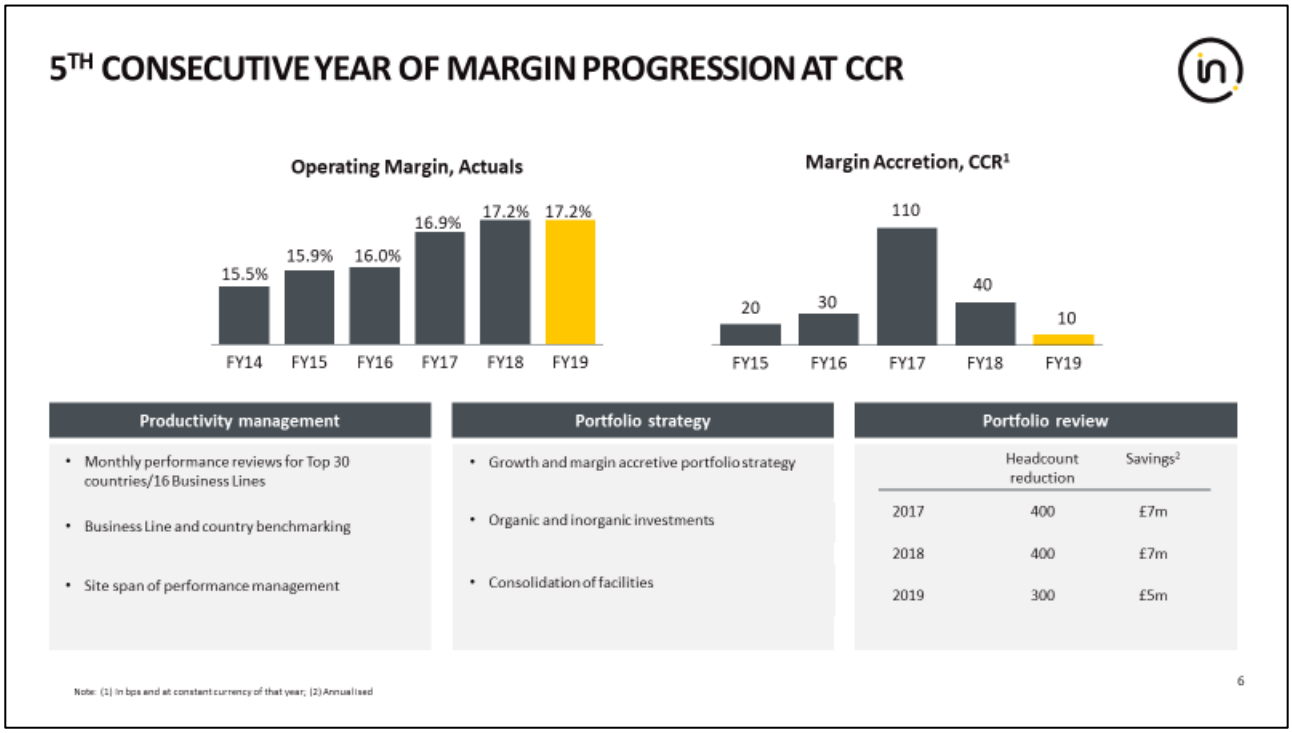
In the last 5 years, on a CAGR basis, we have grown our revenue by 7.4%, our operating profit by 9.6%, our free cashflow by 15.5% and our dividend by 16.6%.

During this period our margin improved by 170 BPS.



In 2019, we have benefited from a broad-based organic revenue growth of 3.3% at constant currency with a run-rate improvement of 60 BPS in H2.

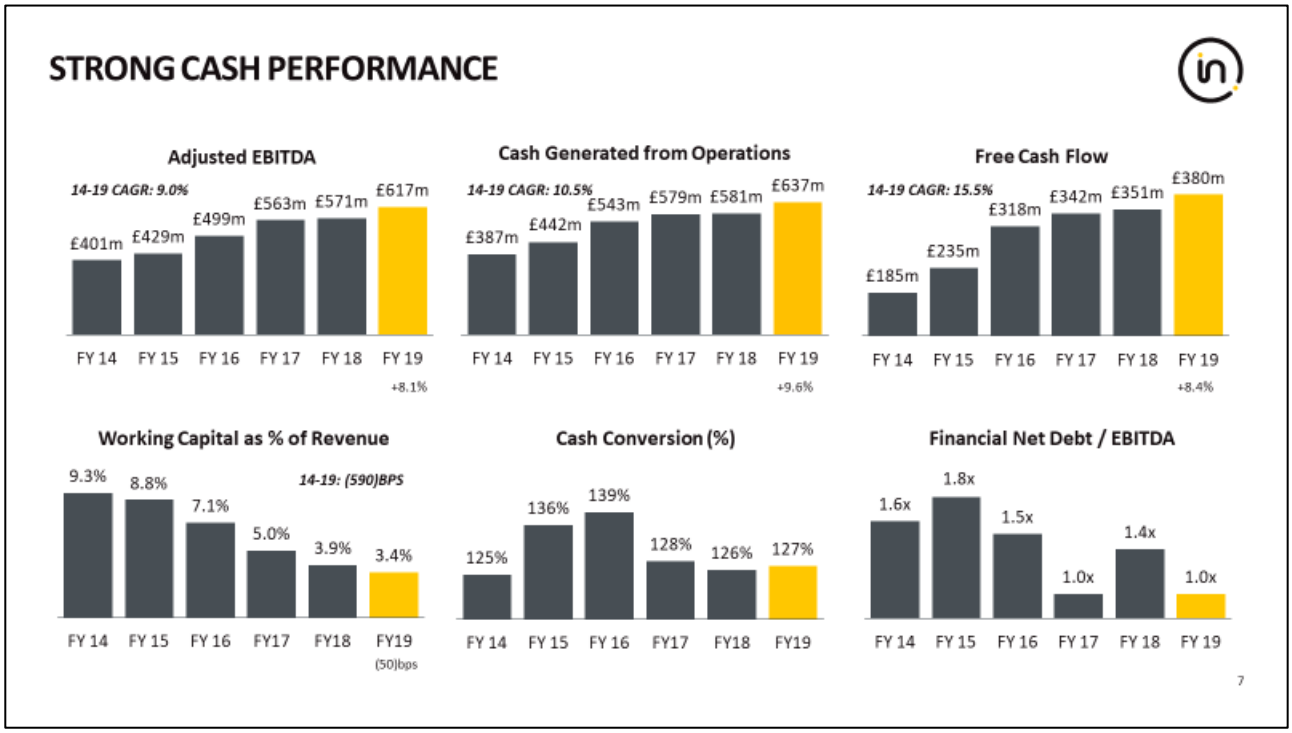
We have delivered an organic growth performance of +2.3% in our Products division, +4.1% in our Trade division and +5.7% in our Resources division.



2019 marked the 5th consecutive year of margin progression at constant rates.

We have delivered a margin improvement of 10 bps at constant currency.

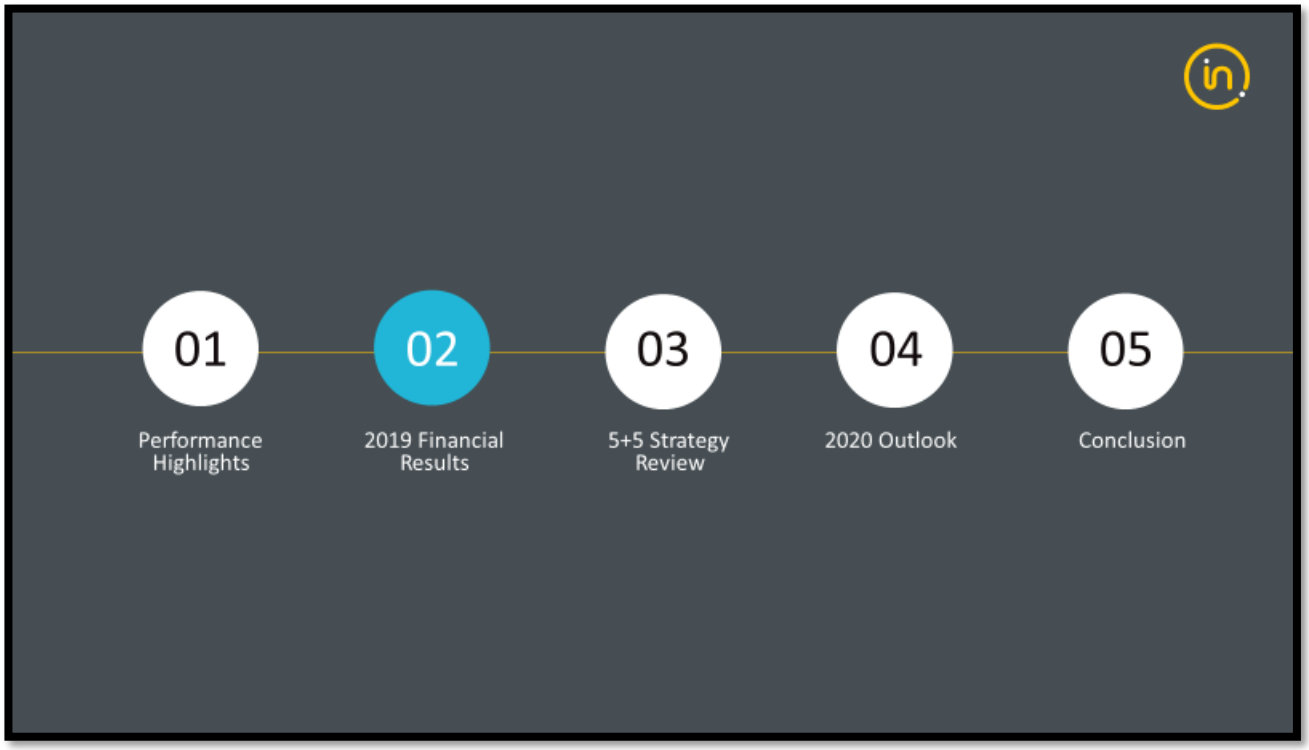
We believe there is scope for further margin improvement, and we will remain focused on margin accretive revenue growth.



Our cash performance was strong with a cash conversion of 127%.

Our financial net debt to EBITDA ratio was 1.0 x.

I will now hand over to Ross who will take you through our financial results in detail…



Thank you André and good morning everyone.

As André has described, we have accelerated our revenue growth with robust EPS growth and a strong cash performance. I will now take you through some of the detail underlying our results.

KEY P&L FINANCIALS

	2019 IAS 17	YoY % Actual Rates IAS 17	YoY % Constant Rates IAS 17	2019 IFRS 16	Δ versus IAS 17
Revenue	£2,987.0m	6.6%	4.8%	£2,987.0m	-
Organic revenue[1]	£2,925.6m	5.1%	3.3%	£2,925.6m	-
Operating profit[2]	£513.3m	6.5%	5.2%	£524.2m	+£10.9m
Operating profit margin[2]	17.2%	0bps	10bps	17.5%	+30bps
Adjusted diluted EPS[2]	211.7p	6.8%	5.2%	212.5p	+0.8p

Notes: (1) Organic revenue excludes the impact of acquisitions and disposals in 2018 and 2019; (2) Before separately disclosed items

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In summary, the Group has delivered good revenue growth in 2019 with 3.3% organic revenue growth at constant rates, further progress on margin and an EPS growth of 5.2%.

Free cash flow generation remained strong with a cash conversion of 127%.

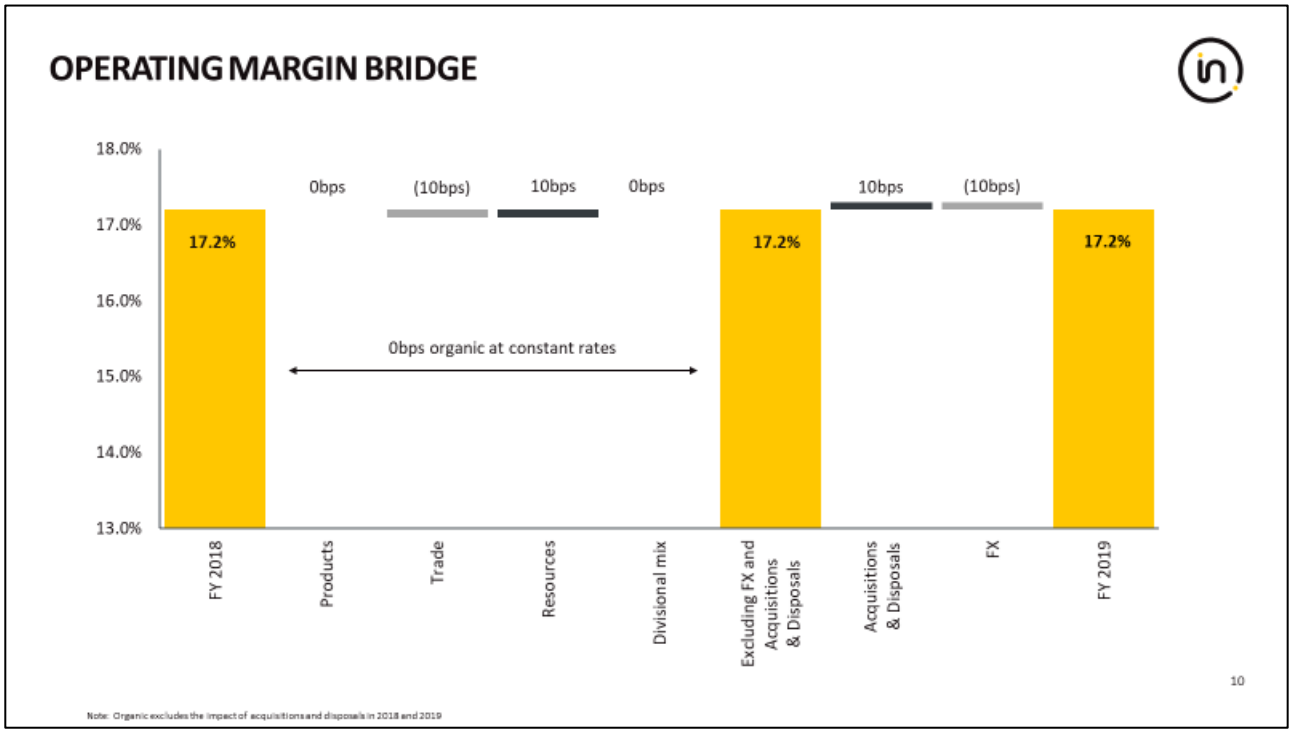
The positive FX impact on total revenue was 180 bps for the year driven by the depreciation of sterling.

At constant rates, Operating profit was up 5.2% to £513.3m, and margin was up by 10bps.

Our Operating profit was up 6.5% at actual rates.

So overall, fully diluted EPS grew 13.4p to 211.7p, being up 6.8% at actual rates and up 5.2% at constant rates.

I will now take you through the high-level margin performance by division ….



The Group recorded an operating margin in 2019 of 17.2%, stable YoY at actual rates and up YoY by 10BPS at constant rates.

Organic margin was stable at constant rates, with 10 basis points improvement, driven by Resources margin offset by a 10 basis points movement from our Trade business.

Acquisitions contributed 10 basis points of margin improvement while FX had a negative 10 basis points impact on the Group margin.

Now turning to Group cash flow and net debt…

CASH FLOW & NET DEBT

£m @ actual exchange rates	2018	2019 IAS 17	2019 IFRS 16	Δ versus IAS 17
Adjusted operating profit[1]	**481.8**	**513.3**	**524.2**	**10.9**
Depreciation/amortisation	88.7	103.2	171.5	68.3
Change in working capital	13.1	16.3	15.9	(0.4)
Other[2]	19.3	19.0	19.0	-
Adjusted cash flow from operations	**602.9**	**651.8**	**730.6**	**78.8**
Net capex	(109.7)	(114.3)	(114.3)	-
Other[3]	(120.6)	(142.2)	(221.0)	(78.8)
Adjusted free cash flow	**372.6**	**395.3**	**395.3**	**-**
Acquisitions	(387.9)	(16.9)	(16.9)	-
Net debt[4]	**778.2**	**629.4**	**875.4**	**246.0**
Net debt/Adjusted EBITDA (rolling 12 months)	1.4x	1.0x	1.3x	0.3

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Notes:
(1) Before separately disclosed items; (2) Comprises special pension payments, add back equity settled transactions and other non-cash items; (3) Comprises: interest paid/received and tax, lease liability repayment; (4) Net financial debt for 2019 IAS 17 basis

Our disciplined focus on cash management continued throughout the period.

Cash flow from operations was £652 million, up 8.1% YOY with working capital down 8.2% YOY and reducing to 3.4% of revenue.

We invested £116.8 million in Capex, in line with 2018 to expand our market coverage and develop innovative ATIC solutions. Adjusted Free cash flow in the period was £395.3 million.

The acquisition made in 2019 led to an outflow of £16.9m

The financial net debt stood at £629.4 million and including the IFRS 16 Lease Liability, total net debt was £875.4 million.

Now turning to our financial guidance for 2020…

FINANCIAL GUIDANCE, PRIOR TO THE CORONAVIRUS OUTBREAK

	FY 2020 Guidance (IFRS16)
Net finance cost (pre-fx)	£35 – 38m
Effective tax rate	25.5 – 26.0%
Minority interest	£21 – 23m
Diluted shares (as at 31 December 2019)	162.6m
Capex	£130 – 140m
Financial Net Debt	£520 – 550m

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Note: Net debt guidance before any material change in FX rates, any additional M&A and impact of coronavirus

On an IFRS 16 basis, the expected Net Finance Costs will be around £35-38m.

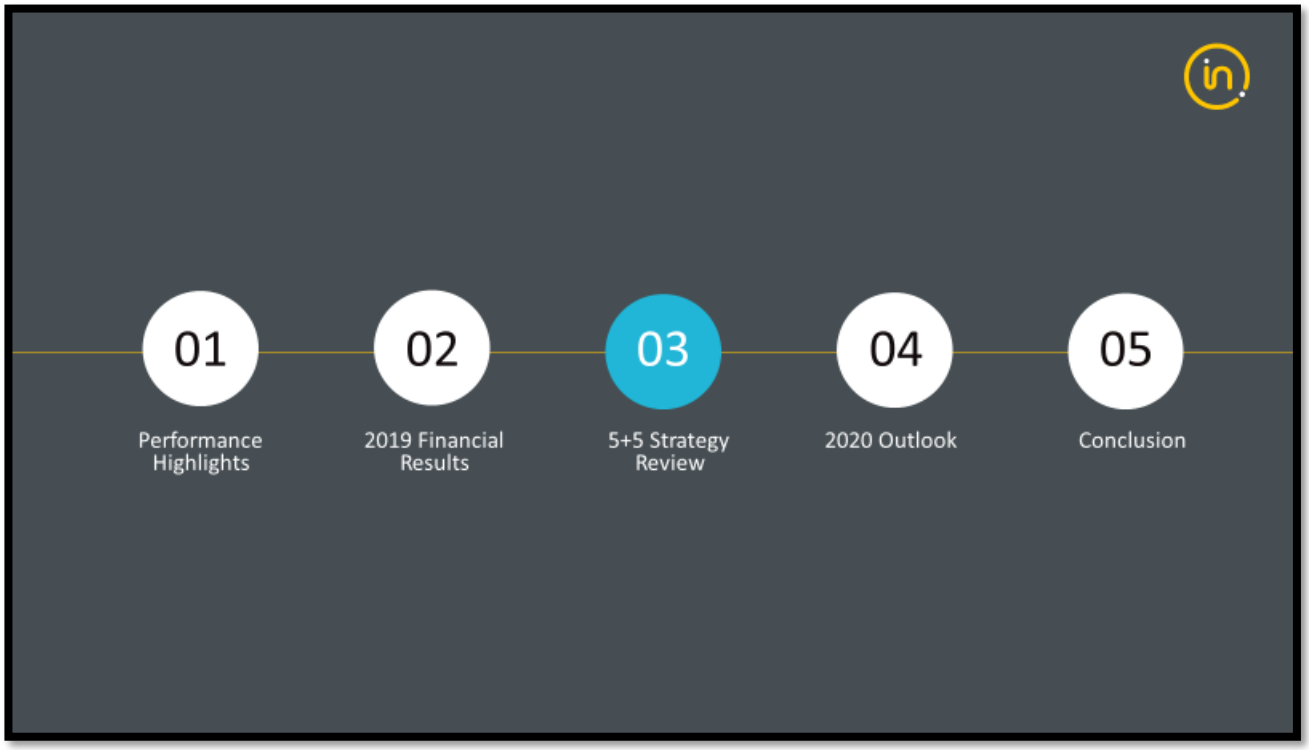
The effective tax rate is expected to be in the 25.5– 26.0% range and minority interests between £21-23m.

For your models I've set out the number of shares for the EPS calculation.

We are currently expecting full year capex to be £130 - 140m.

For financial net debt, we expect to close the year at between £520m and £550m, although noting that this guidance is stated before any M&A, any material movements in FX and the impact of Coronavirus.

I would now like to hand you back to André…



Thanks Ross for a comprehensive review of our 2019 results.

Today, I would like to give you an update on our Good-to-Great journey.

Five years ago, this is what we said we will do when we presented our 5x5 differentiated strategy for growth.

STRONG PROGRESS ON OUR 5 STRATEGIC PRIORITIES

DIFFERENTIATED TQA BRAND PROPOSITION	SUPERIOR CUSTOMER SERVICE	EFFECTIVE SALES STRATEGY	GROWTH AND MARGIN ACCRETIVE PORTFOLIO	OPERATIONAL EXCELLENCE

• Positioned Intertek as the global market leader in TQA
• Created global awareness and understanding of TQA
• Launched distinct new brand identity
• Built depth and breadth of ATIC offering
• Developed innovative new solutions for our clients
	• Focused on delivering the highest standards of customer service
	• 7,000+ NPS interviews every month
	• Customer centric organisational model ensures our people are in close personal contact with our Customers
	• Developing mission-critical ATIC innovations in collaboration with our clients
		• Introduced disciplined approach to Sales
		• 5 Sales Goals to support Customer 1st processes and create accountability:
		  • Customer Retention
		  • Customer Penetration
		  • ATIC Selling
		  • New Customer Wins
		  • Customer Outsourcing
			• Moving Intertek's centre of gravity towards the sectors, geographies, businesses and service lines that deliver the best growth and margin prospects	• Ever Better approach to continuous improvement across entire organisation
				• Disciplined performance management cadence: daily, weekly, monthly, annual and 5-year basis
				• Disciplined approach to capital allocation

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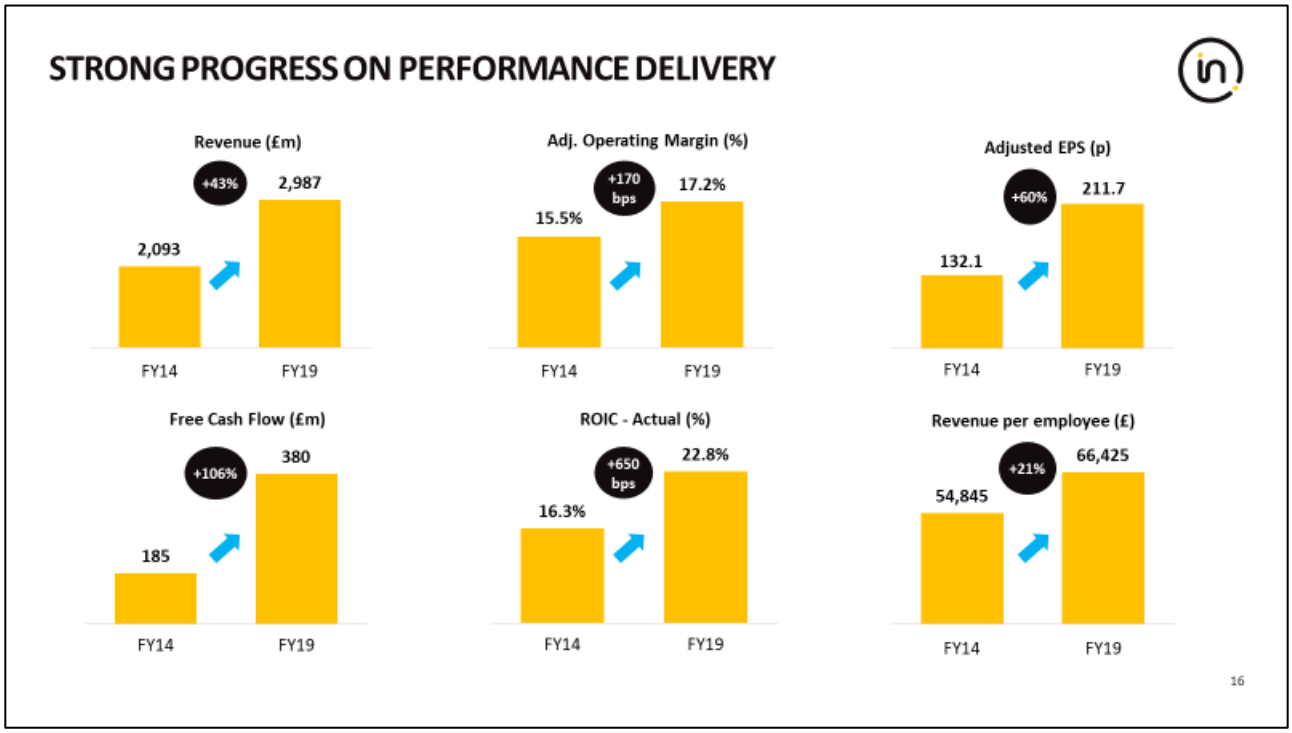
In the last 5 years, we have made continuous progress on strategy and performance.

Let's look at a short video that explains how we have operationalised our strategy inside the Group…

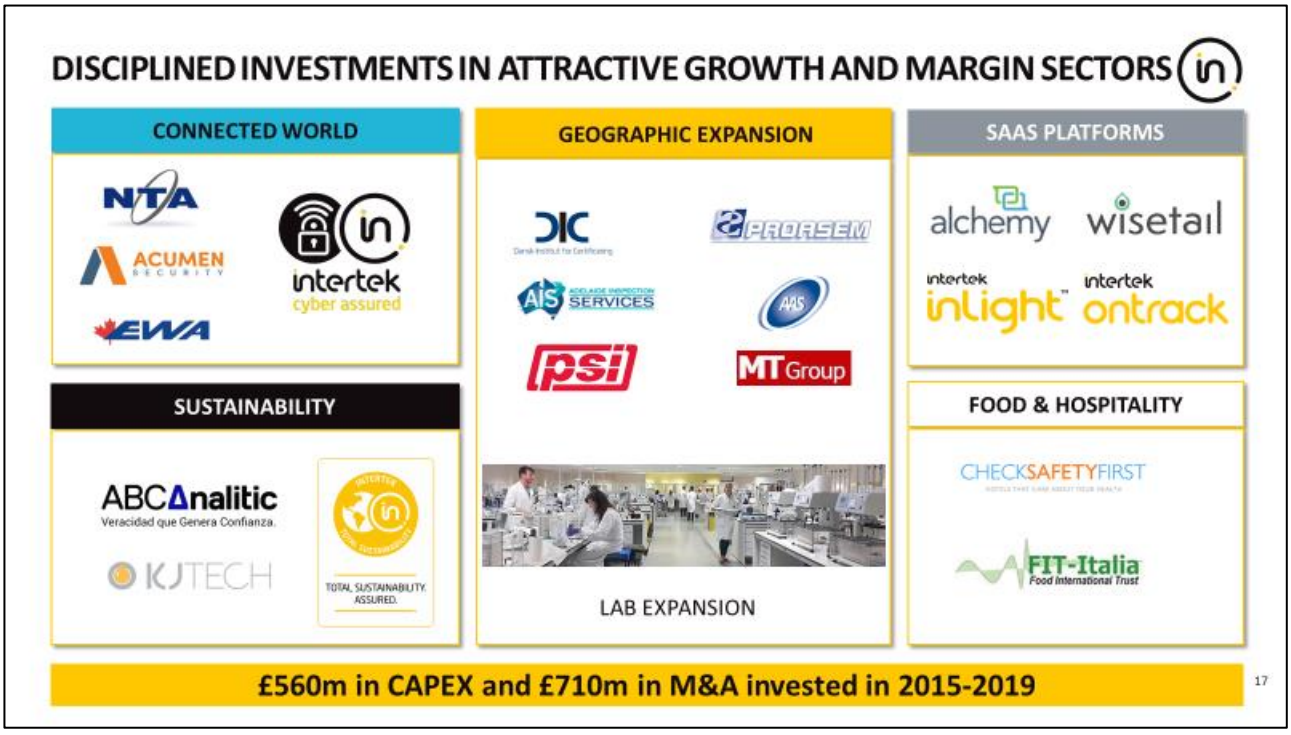


The operationalisation of our strategy has delivered strong results.

Between 2014 and 2019:

- our revenue has grown by 43%;
- our operating margin has increased from 15.5% to 17.2%;
- our adjusted EPS has grown by 60%;
- our cash generation has more than doubled, now at £380m;
- our ROIC has progressed from 16.3% to 22.8%; and
- our employee productivity has increased

I would like to take this opportunity to recognise and thank all of my colleagues around the world, who are delivering sustainable value through their unmatched expertise and customer-centric approach.



We have made disciplined investments in attractive growth and margin sectors.

We have invested £560m in CAPEX over the last 5 years to better serve our clients with additional market coverage, capacity expansion and innovative solutions.

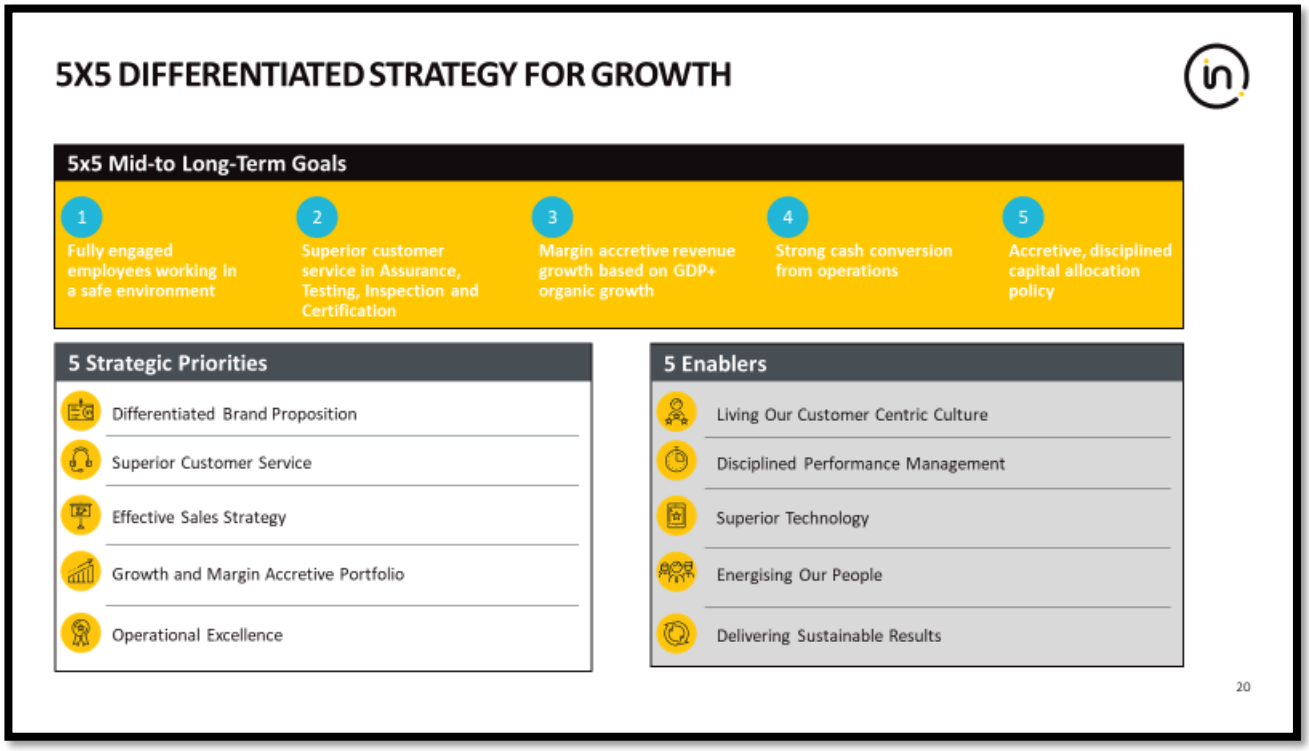
We have also made several acquisitions in attractive sectors: Connected World, Sustainability, People Assurance, Food and Hospitality.

We have also invested both organically and inorganically in break through innovative SaaS platforms, like Alchemy and InLight.

2019 was the first full year of ownership of Alchemy.

We are on target from a financial standpoint and we are really pleased with the progress made on the commercial activities reflecting the strong demand for our Alchemy SaaS platform.

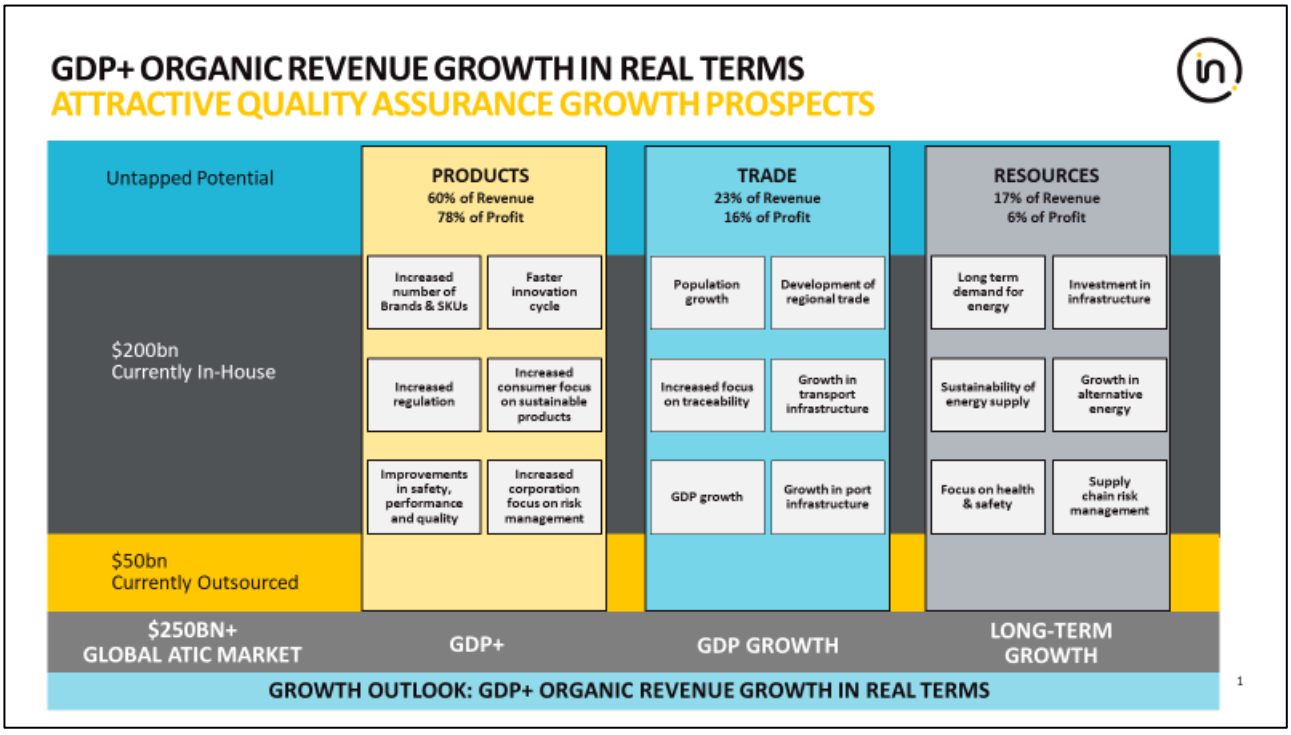
Our 5-year guidance remains unchanged including an EBIT margin of over 25% in year 5.



Moving forward, we will continue to execute our 5x5 differentiated strategy for growth.

Our mid-to long term strategic goals remain unchanged, focusing on our employees and superior customer service to deliver margin accretive revenue growth.

Strong cash conversion remains a core priority and we will continue to pursue a disciplined capital allocation strategy.



The growth opportunities in the Quality Assurance market are very attractive.

The Total Quality Assurance market is worth $250bn, yet only 20% of this market is currently outsourced.

The global operations of corporations are complex, which drives more demand for end-to-end quality assurance services as companies increase their focus on systemic operational risk.

This untapped market potential is really exciting as this is all about what companies do not do today and will start doing to improve the quality, safety and sustainability of their operations.

Based on the attractive structural growth drivers in the Global Quality Assurance market, we expect to deliver GDP+ organic revenue growth in real terms at the Group level.

We expect our Products division, which represents 78% of the group's earnings, to grow ahead of global GDP.

We expect our Trade division that represents 16% of the group's earnings, to grow at a rate broadly similar to GDP through the cycle.

The growth prospects of our Resources division, which represented 6% of the group's earnings, are improving with the increased investments in Oil & Gas Exploration and Production activities as well as in renewable energies.

We are extremely well positioned to seize these exciting growth opportunities ahead, capitalising on the core strengths of Intertek.

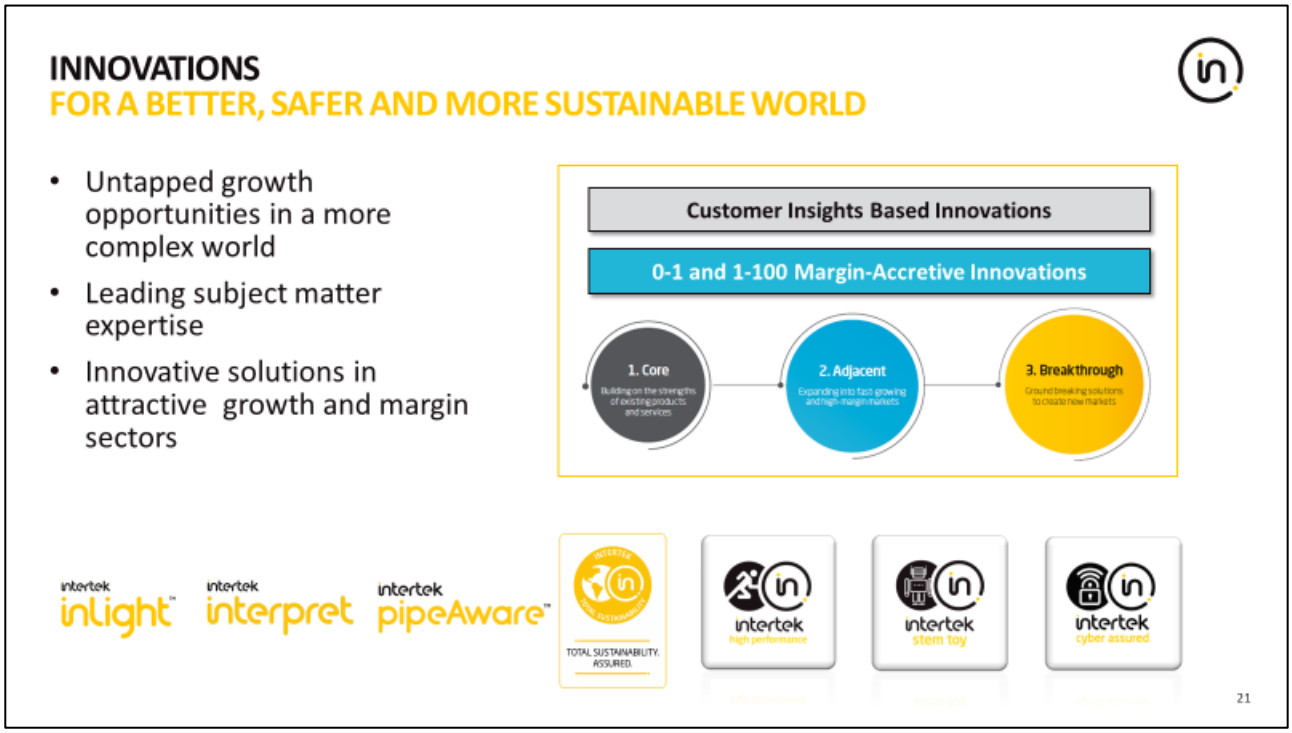
Our Total Quality Assurance superior customer service

Our Powerful Portfolio

Our High-Quality compounder Earnings model

Our passionate customer centric organisation

Our disciplined performance management



Innovating in attractive growth and margin sectors is an integral part of our strategy, helping our clients resolve the increased complexity they face in their global operations, to deliver their products and services with the highest Quality, Safety and Sustainability standards.

We will continue to identify margin-accretive innovations, leveraging our industry leading expertise.

INTERTEK HIGH QUALITY EARNINGS MODEL

	2019[3]
Revenue	£3.0bn
EBITDA margin	23%
Cash Conversion[1]	126%
Capex	£117m
Dividend Payout	50%
FCF	£380m
Balance Sheet[2]	0.9x
ROIC	23.7%

Intertek's Virtuous Economics Driving Sustainable Value Creation

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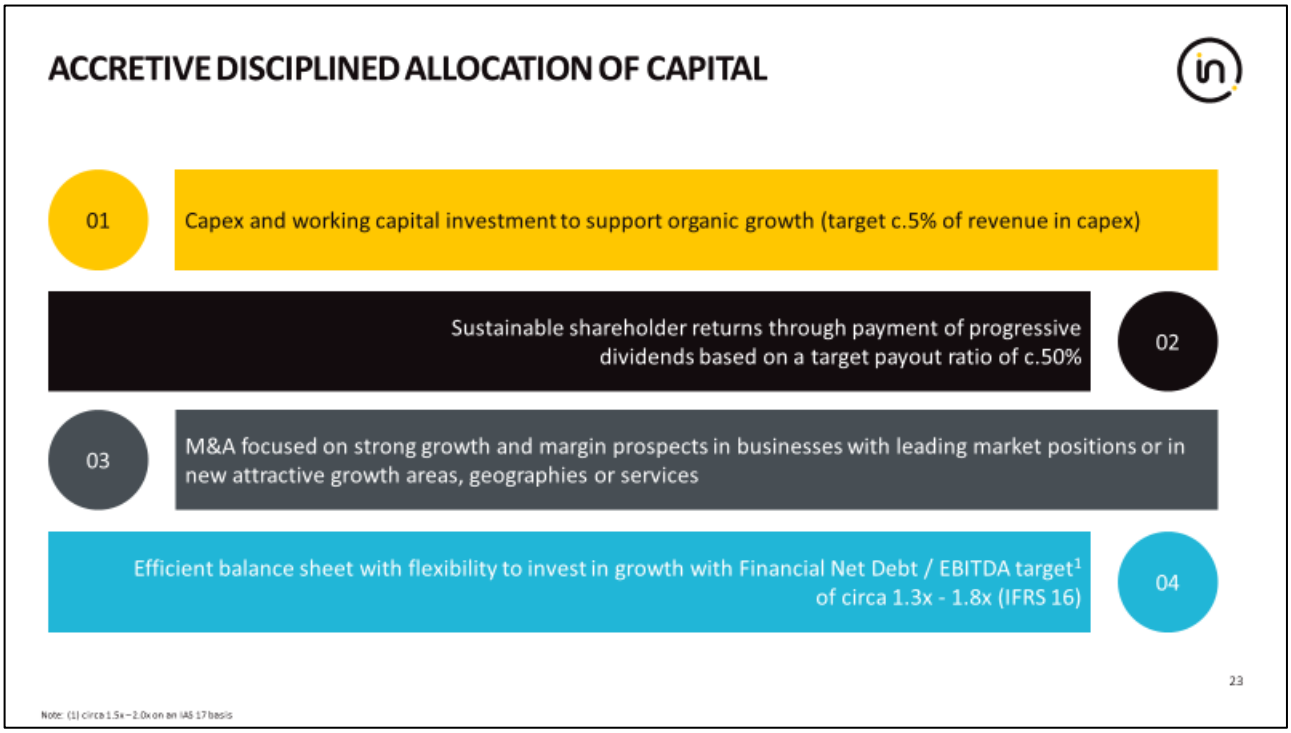
Notes: (1) Cash flow for cash conversion (includes IFRS 16 repayment of lease liability), (2) Financial Net Debt to EBITDA, (3) On an IFRS 16 basis

Intertek operates with a high-quality compounder earnings model.

Our capital light business model combined with our customer centric organisation, enables us to react quickly to new growth opportunities by following the supply chains of our customers in new geographies.

Intertek's approach to value creation is based on the compounding effect, year after year, of margin accretive revenue growth, strong cash generation and disciplined investments in growth.



We believe in the value of accretive disciplined allocation of capital.

Our first priority is to support organic growth through capital expenditures and investments in working capital by offering new services and developing client relationships.

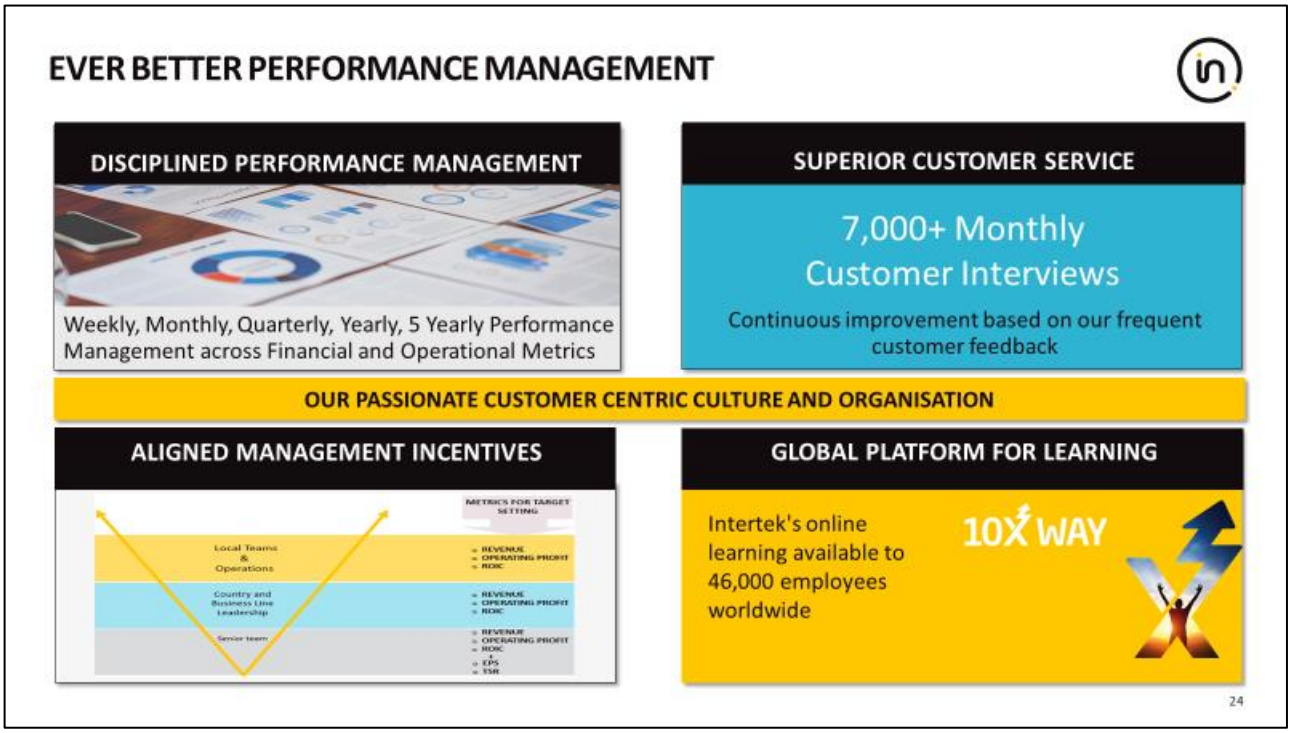
We usually target circa 5% of revenue in capex.

The second priority is to deliver sustainable returns for our shareholders through the payment of progressive dividends.

In recognition of our highly cash generative business model, our strong financial position, the Board's confidence in the attractive long-term growth prospects for the Group and its ability to fund

continued growth investments, our targeted dividend payout ratio is 50%.

The third priority is to pursue M&A activities that strengthen our portfolio in the most attractive growth and margin areas, provided we can deliver good returns.



One of our core strengths is our performance management discipline.

Our performance approach is based on leading and lagging indicators.

The insights we get from NPS enable us to drive a superior customer service.

Our incentive system is aligned with the interests of our shareholders, targeting revenue, profit, margin, cash and ROIC.

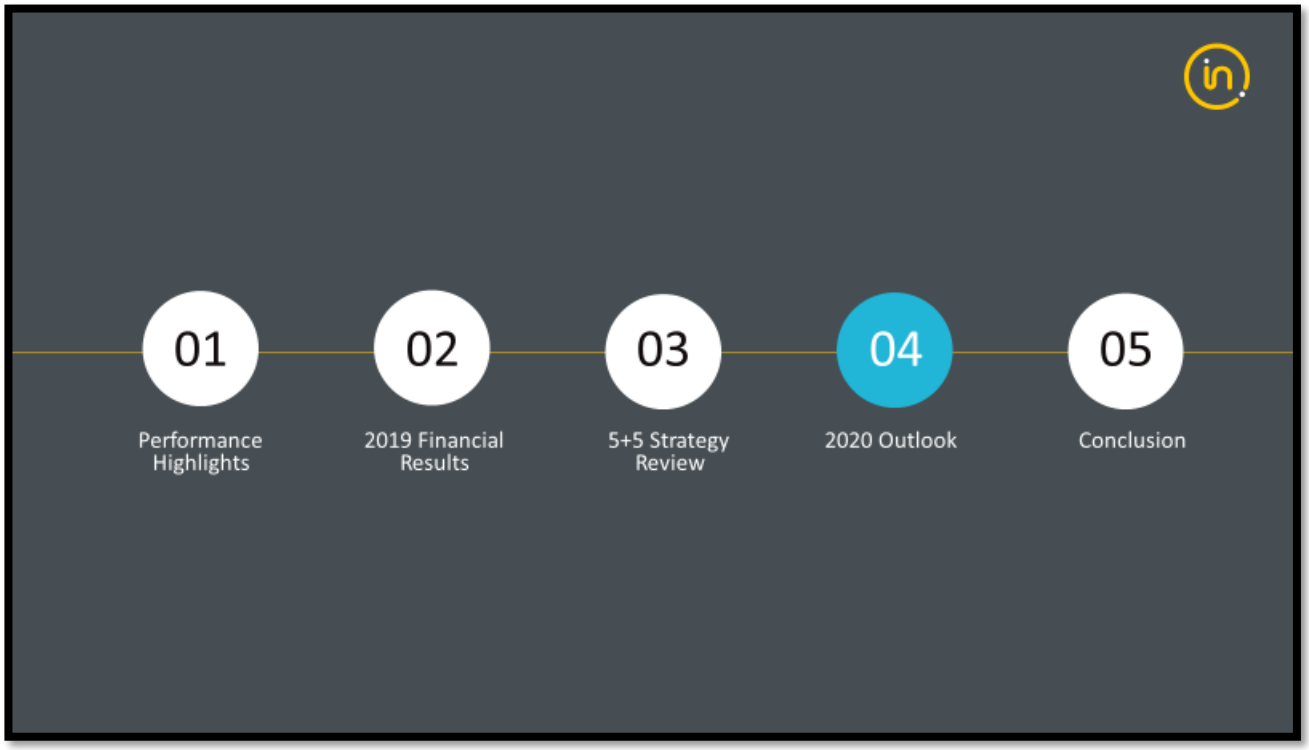
Importantly, we offer our people the opportunity to learn and grow using our global learning platform.

Sustainability is central to our 5x5 differentiated strategy for growth

We believe that Doing Business the Right Way with a systemic approach is the only way to deliver our corporate goals and create sustainable value creation for all stakeholders

To do that, we follow precise processes and standard operating procedures in 10 areas of our Sustainability approach

- Quality & Safety
- Risk Management
- Enterprise Security
- Compliance
- Environment
- People & Culture
- Communities
- Governance
- Financial
- Communications & Disclosures



Let’s now discuss the outlook for the group in 2020…

CORONAVIRUS
CARING FOR OUR PEOPLE AND OUR CLIENTS

- **Measures Intertek is taking in Greater China:**
  Focused on the health and safety of our employees and the mitigation of any disruption of our service to our clients.
- **Our Health, Safety, Well-being measures in Greater China:**
  Hygiene and protection measures in the work-place and for field-based colleagues. Quarantine periods for colleagues who travelled during the holiday.
- **Our Commitment to our Clients:**
  Working closely with our customers to mitigate the potential risks caused by the coronavirus, such that we provide business continuity of our customers' operations.
- **Business Resumption:**
  Our **Mainland China** business started operating from 10 February.
  Our **Hong Kong** operations resumed as usual on 29 January. On 11 February, it was confirmed that one of our colleagues who returned to work at our Garment Centre in Kowloon had contracted the Coronavirus. We took the decision to temporarily close the Centre from 11 February for 14 days. The Centre reopened 25 February.
  Our **Taiwan** operations resumed as usual 30 January
- **Measures that Intertek is taking globally**:
  Complete restriction on international travel by our people out of and into mainland China and Hong Kong.
  Health & Safety communications to all our people, in line with WHO guidance

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I would like to start with an update on the Coronavirus

We have made regular updates on our website since Feb 3rd and let me recap where we are…

We have 85 sites in China and the following business lines: Electrical, Softlines, Hardlines, Food, Business Assurance, Supplier Management, Transportation Technologies, Caleb Brett, Agri, Minerals and Industry Services.

We have 11,698 employees in mainland China and Hong Kong (as at 19 December 2019).

In Wuhan, we have only one site – a branch office with 30 employees working for TT, Food, BA, and SM.

The actions we have taken in China include:

- Health alerts and guidance to our colleagues, including a detailed “Coronavirus Control and Prevention Manual”.

- In accordance with this manual, we have put in place hygiene and other protection measures in the work-place and at customer locations for field-based colleagues, including:

    - the use of face masks;

    - and the use of hand sanitiser and gloves.

- When conducting field-based Audits and Inspections for factories, vendors or customer sites, we are asking our partners to first confirm they have no suspected cases of coronavirus and have taken their own precautionary measures before we deploy our people.

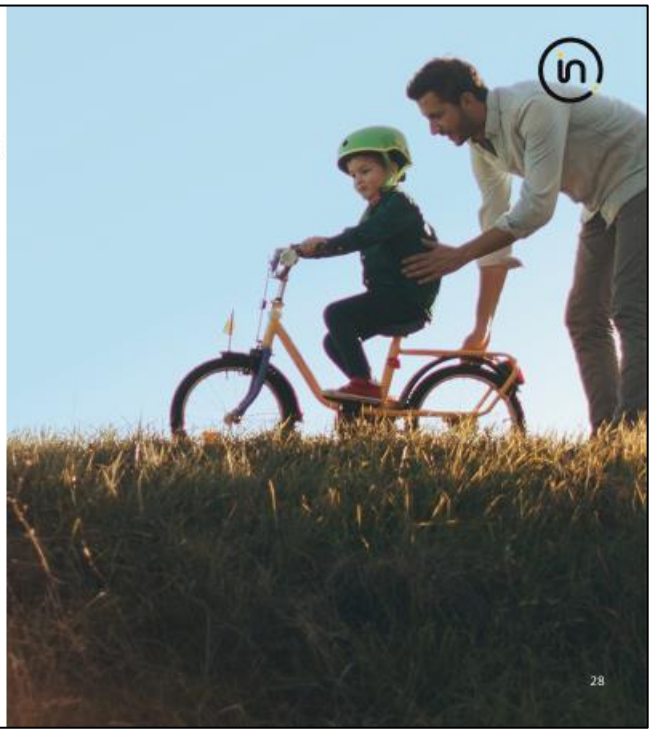
We have put a complete restriction on international travel by our people out of and into mainland China and Hong Kong.

We have also issued a prevention guide to all our people globally, in line with World Health Organisation guidance, on how to minimise the risk of infection.

This is a developing situation and we will provide regular updates.

GROUP OUTLOOK 2020, PRIOR TO THE CORONAVIRUS OUTBREAK

- Good organic revenue growth at constant currency
  - Good growth expected in Products
  - Good growth expected in Trade
  - Robust growth expected in Resources
- Moderate Group margin progression
  - Portfolio strategy
  - Continuous cost discipline
  - Performance management
- Strong cash conversion
- Capex: £130-140m
- Financial Net debt: £520-550m



Let's now discuss the Outlook for 2020…

We have delivered 5 years of consecutive progress on revenue, EPS and cash, exiting 2019 with improved organic growth momentum.

We are well positioned to continue to deliver sustained value creation for all stakeholders.

Prior to the outbreak of the Coronavirus, we were targeting the Group to deliver continuous progress in 2020 with broad based good organic growth across the Group at constant currency, based on good organic growth in Products and Trade and robust growth in Resources, moderate margin progression and strong cash conversion.

At Intertek, we are not immune to the impact of the Coronavirus and our 2020 performance will be affected by the temporary disruption to the supply chains of our clients in China and any impact it might have on global trade activities.

It is too early to quantify the impact of the Coronavirus and we will provide an update at a later stage once we have more visibility on the full resumption of the supply chain.

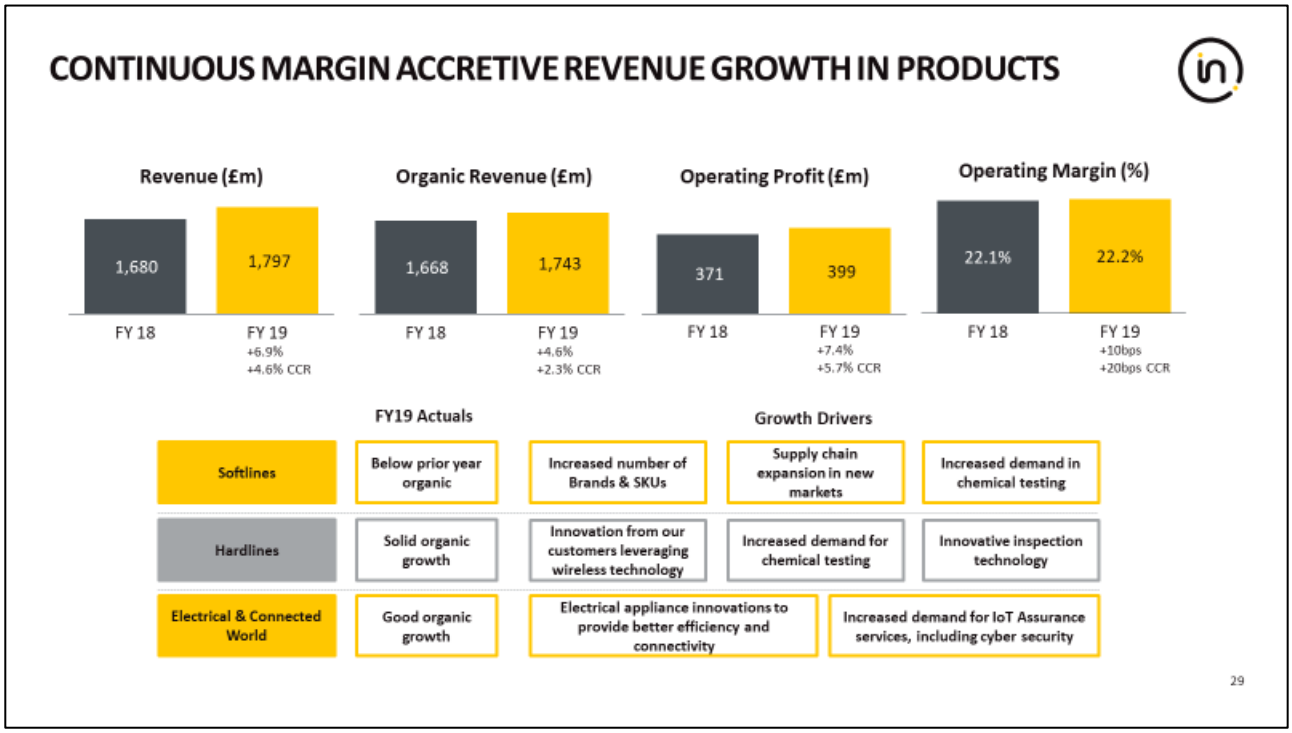
We will remain disciplined on cash conversion.

We will continue to invest in growth and we expect our full year Capex investments to be circa £130 - 140m.

A quick update on currencies for your models…

The average sterling rate in the last 3 months applied to the full year results of 2019 would reduce our revenue and earnings by circa 250bps.

Let’s now discuss our divisions, and given the difficulty in estimating the impact of Coronavirus, we are not providing Business Line guidance for 2020 at this time.



In 2019 our Products business delivered a robust performance with continuous margin accretive revenue growth.

Our revenue growth at constant rates was 4.6% and our organic revenue growth was 2.3%, driven by broad-based revenue growth across business lines and geographies.

We delivered robust operating profit of £398.6m, up 5.7% at constant currency enabling us to deliver a margin of 22.2%, up 20bps versus last year as we benefited from positive operating leverage and disciplined cost management.

Our **Softlines** business reported an organic growth performance slightly below last year.

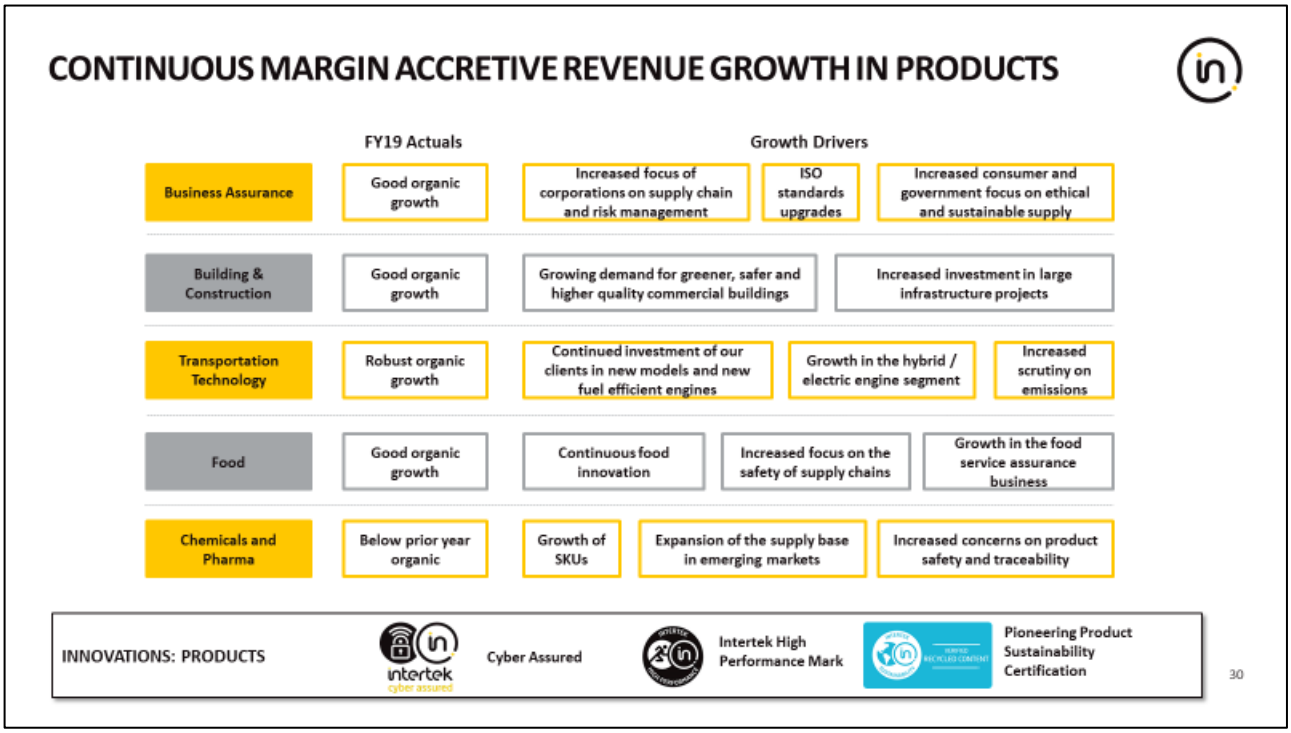
We benefited from the investments we have made to support the expansion of our customers into new markets, seizing the exciting growth opportunities in the footwear sector and continuing to leverage the strong demand from our customers for chemical testing.

However, the lack of visibility around the outcome of negotiations on tariffs has resulted in a delay in the launch of new products in the second half.

Our **Hardlines** and Toy business continued to take advantage of our strong global account relationships, the expansion of our customers' supply chains into new markets and our innovative technology for factory inspections.

We delivered solid organic revenue growth performance across our main markets of Greater China, India and Vietnam.

We delivered good organic revenue growth in our **Electrical & Connected World** business driven by higher regulatory standards in energy efficiency and by the increased demand for wireless devices and cybersecurity.



Our **Business Assurance** business delivered good organic revenue growth as we continued to benefit from the increased focus of corporations on risk management, resulting in strong growth in supply chain audits and increased consumer and government focus on ethical and sustainable supply.

Driven by the growing demand for more environmentally friendly and higher quality buildings and infrastructure in the US market, our **Building & Construction** business reported good organic revenue growth.

Our **Transportation Technologies** business delivered robust organic revenue growth, benefiting from our clients' investments in new powertrains to lower emissions and increase fuel efficiency.

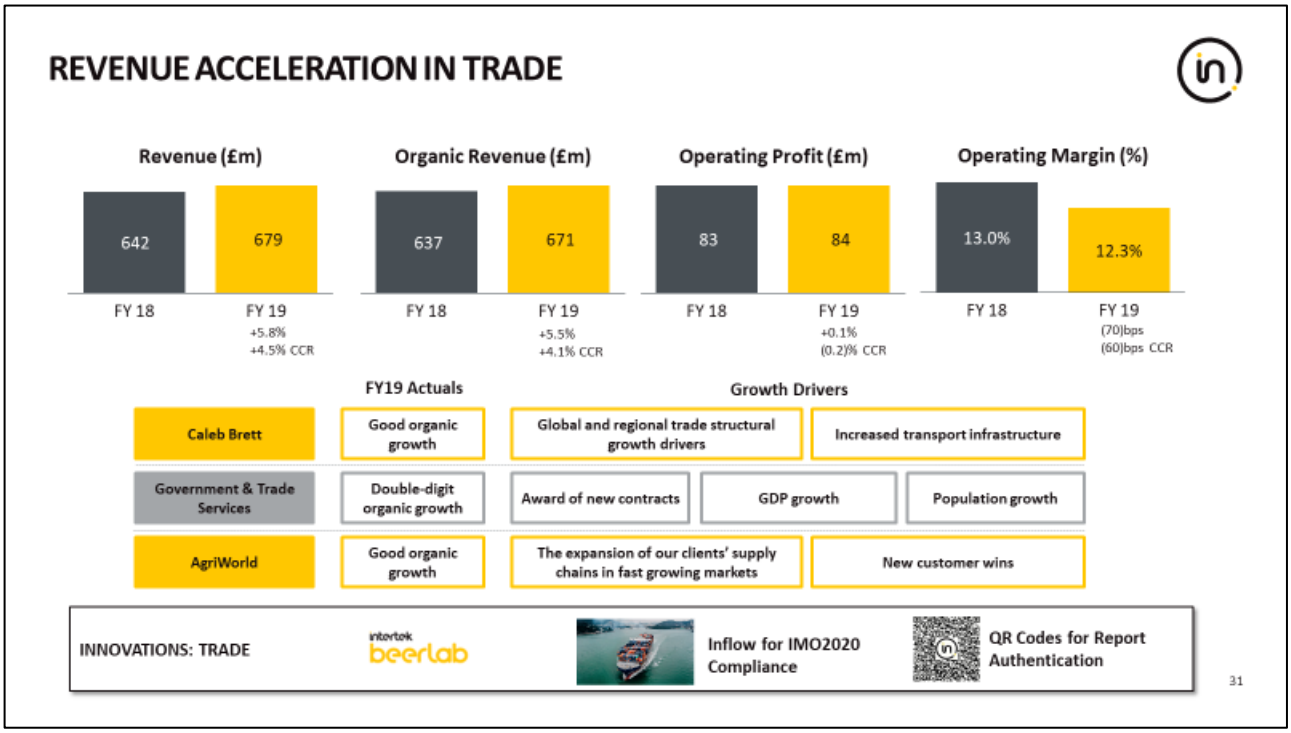
We continued to benefit from the increased focus of corporations on food safety and delivered good organic revenue growth in our **Food** business.

We delivered an organic revenue performance slightly below last year in our **Chemicals & Pharma** business due to a base line effect driven by the 2018 REACH registration deadline.

Mid- to long-term growth outlook

In the mid-to long-term, our Products division will continue to benefit from structural growth drivers including:

- product variety,
- brand and supply chain expansion,
- product innovation and regulation,
- the growing demand for quality and sustainability from developed and emerging economies,
- the acceleration of e-commerce as a sales channel,
- and the increased corporate focus on risk.



Let's now move to Trade…

Our Trade related businesses benefited from an acceleration of its revenue momentum with 4.5% growth and 4.1% organic revenue growth at constant rates, driven by broad-based revenue growth across business lines and geographies.

We delivered a stable operating profit of £83.5m, enabling us to deliver an operating margin of 12.3%, down 60bps versus last year driven by a portfolio mix effect within GTS and challenging trading conditions within Caleb Brett in North America and Northern Europe.

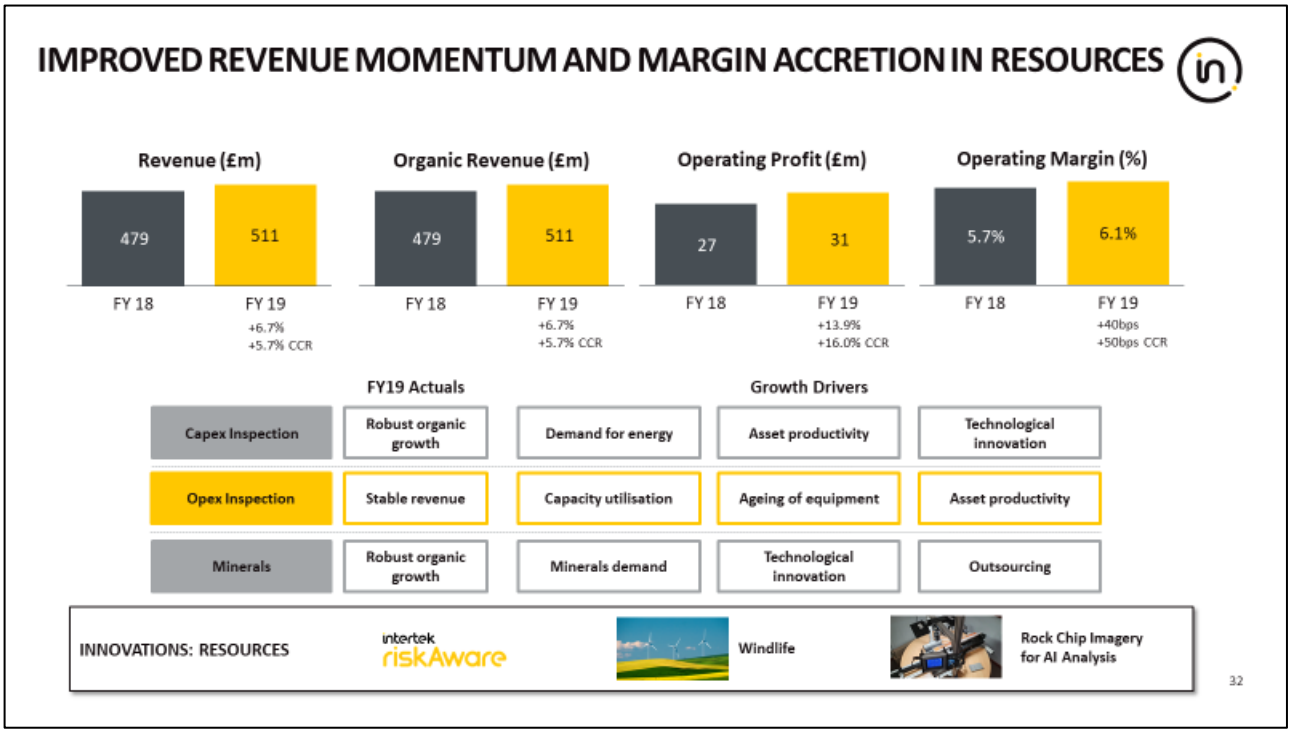
Our **Caleb Brett** business reported good organic revenue growth, reflecting the structural growth drivers in the Crude Oil and Refined Product global trading market.

Our **Government & Trade Services** business delivered double-digit organic revenue growth driven by growth from existing contracts and the benefits of new contracts.

Our **AgriWorld** business delivered good organic revenue growth driven by a broad-based growth performance across our global inspection businesses.

Mid- to long- term growth outlook

In the medium- to long-term, our Trade division will continue to benefit from regional and global trade-flow growth, as well as the increased customer focus on quality, quantity controls and supply chain risk management.



Let’s now discuss Resources…

We benefited from an improved revenue momentum with margin accretion in our Resources related businesses.

We reported robust organic revenue, up year-on-year of 5.7% at constant rates and we delivered an operating profit of £31.2m, which was up year-on-year by 16.0% enabling us to deliver a margin of 6.1%, up year-on-year by 50bps:

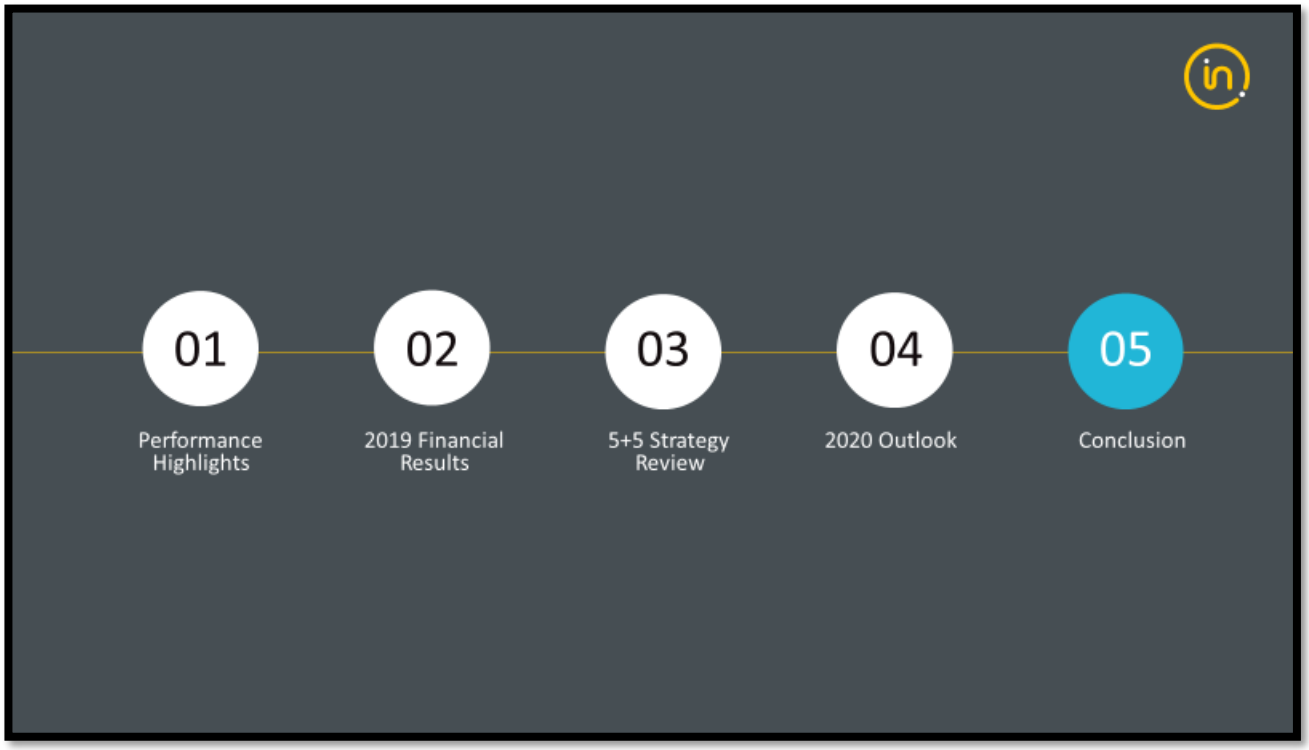
We delivered robust organic revenue growth in our **Capex Inspection Services** business which benefited from the increased investment of our customers in exploration and production activity as well as the wins of new clients in several geographies.

The demand for **Opex Maintenance Services** remained stable.

We benefited from robust organic revenue growth in our **Minerals** business driven by stronger demand for testing and inspection across most geographies.

Mid- to long- term growth outlook

In the medium- to long-term, our Resources division will continue to benefit from investments in Exploration and Production of Oil, Renewable Energy and Minerals, to meet the demand of the growing population around the world.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In summary…

We are pleased with the progress we have made on both strategy and performance in the last 5 years, a real tribute to the quality of our organisation.

The opportunities for growth ahead are exciting and we are well positioned to seize these with our superior Total Quality Assurance customer service.

We will remain very focused on delivering sustainable value for all stakeholders, executing our 5x5 Strategy with operating discipline.

Thank you and we will now answer any questions you might have.