



Preliminary Results 2008

20 February 2009



Agenda



Introduction

John McAdam

Financial Performance 2008

Michael Murray

Strategy and 2009 priorities

Alan Brown

Q&A



Introduction

John McAdam
Chairman



Alan Brown

Chief Executive

Summary for 2008, Outlook for 2009



- **Extremely challenging year for RTO, driven primarily by implementation failures**
 - APBITA reduction of £137m, predominantly in Turnaround businesses
 - City Link £88m
 - UK Washrooms £14m
 - UK Pest, Australia, Other £35m
 - Customer Service breakdown in Turnaround businesses – now recovered
 - Accounts Receivable issues – progress made in Q4
 - Operational 3 year plan now in place; good progress in driving City Link recovery
- **Outlook**
 - Trading conditions are deteriorating, especially in the UK & US
 - But profitability expected to improve in second half of 2009:
 - Cost reduction initiatives in City Link
 - Currency & interest cost benefit
 - Modest profitability improvement across remaining businesses: gains to be reinvested to support the 5 strategic thrusts



Financial Performance 2008

Michael Murray
Chief Financial Officer

Financial Highlights



Constant exchange rates

	Q4			FULL YEAR		
	2008 £m	2007 £m	△ £m	2008 £m	2007 £m	△ £m
Revenue	569.9	572.2	(2.3)	2,252.9	2,203.4	49.5
% change	(0.4)			2.2		
PBITA	31.9	62.5	(30.6)	123.6	251.1	(127.5)
Add back one-off items	16.1	18.1	(2.0)	19.3	28.4	(9.1)
Adjusted PBITA	48.0	80.6	(32.6)	142.9	279.5	(136.6)
Interest	(20.9)	(17.9)	(3.0)	(61.5)	(71.9)	10.4
Associates	0.6	0.3	0.3	2.2	2.0	0.2
Adjusted PBTA at constant rates	27.7	63.0	(35.3)	83.6	209.6	(126.0)
FX	9.0	1.6	7.4	24.3	-	24.3
Adjusted PBTA at actual rates	36.7	64.6	(27.9)	107.9	209.6	(101.7)
Free cash flow (actual exchange rates)				34.9	102.1	(67.2)
Net Debt (actual exchange rates)				(1,362.2)	(947.1)	(415.1)
Basic EPS (continuing operations)				0.76p	6.06p	(5.30)p

Adjusted PBITA



Constant exchange rates

	Q4			FULL YEAR		
	2008 £m	2007 £m	△ £m	2008 £m	2007 £m	△ £m
City Link	(4.0)	6.3	(10.3)	(43.5)	44.8	(88.3)
Textiles & Washrooms	24.7	27.0	(2.3)	85.9	108.5	(22.6)
Pest Control	12.2	17.7	(5.5)	59.7	65.5	(5.8)
Facilities Services	12.9	11.5	1.4	40.8	38.9	1.9
Asia Pacific	5.6	10.3	(4.7)	22.1	31.4	(9.3)
Ambius	4.1	4.9	(0.8)	7.6	8.7	(1.1)
Other	2.1	2.9	(0.8)	9.3	10.2	(0.9)
Central Costs	(9.6)	-	(9.6)	(39.0)	(28.5)	(10.5)
Adjusted PBITA at CER	48.0	80.6	(32.6)	142.9	279.5	(136.6)



	Q1	Q2	Q3	Q4	FULL YEAR 2008 £m	FULL YEAR 2007 £m
	£m	£m	£m	£m		
Revenue	95.2	96.1	93.4	97.2	381.9	417.1
Recurring costs	(101.5)	(106.4)	(105.0)	(101.2)	(414.1)	(372.3)
Non-recurring costs ¹	(9.1)	(2.2)	-	-	(11.3)	-
Total costs	(110.6)	(108.6)	(105.0)	(101.2)	(425.4)	(372.3)
Adjusted PBITA	(15.4)	(12.5)	(11.6)	(4.0)	(43.5)	44.8
One-off items ^{2,3}	(1.5)	-	(0.4)	(14.5)	(16.4)	(25.4)
PBITA	(16.9)	(12.5)	(12.0)	(18.5)	(59.9)	19.4

Notes:

¹ Non-recurring costs in Q1 and Q2 related to re-assessment of provisions and asset impairment.

² 2007 one-off costs included £18.0m of property provisions for future depot consolidation

³ Q4 2008 one-off costs relate primarily to planned changes to trailer and cage fleet

Initial Textiles & Washroom Services



Constant exchange rates

	Revenue £m			Portfolio ave. price Increase %	YOY change in adjusted PBITA £m
	2008	2007	% Change		
France	235.6	222.4	5.9	+1.0%	↓
Netherlands	76.0	75.8	0.3	+2.1%	↓
Belgium	72.3	68.2	6.0	+4.8%	↑
Germany ¹	69.4	68.3	1.6	+0.7%	↑
Other businesses	91.4	88.5	3.3		↓
Continental Europe total	544.7	523.2	4.1		(8.4)
UK ²	67.6	82.3	(17.9)		(14.2)
Divisional Total	612.3	605.5	1.1		(22.6)

¹ 2007 includes German Hospital Services sold during 2007 – Revenue £4.7m, loss £1.0m.

² 2007 includes Wipers activities closed during Q4 2007 – Revenue £5.8m, profit £0.1m

UK Washrooms



	Q1	Q2	Q3	Q4	FULL YEAR 2008 £m	FULL YEAR 2007 £m
	£m	£m	£m	£m		
Revenue ¹	18.2	17.0	16.5	15.9	67.6	82.3
Costs	16.2	17.7	17.9	15.0	66.8	73.3
Additional bad debt provision	-	-	6.0	-	6.0	-
Total cost	16.2	17.7	23.9	15.0	72.8	73.3
Adjusted PBITA ¹	2.0	(0.7)	(7.4)	0.9	(5.2)	9.0
Movement in portfolio	0.4	(2.0)	(1.9)	(1.5)	(5.0)	(6.6)

¹ 2007 figures include the wipers business, exited Q4 2007. Wipers 2007 revenues £5.8m, profit £0.1m.

Rentokil Pest Control



Constant exchange rates

	Revenue			Retention rates		Year on Year change in adj. PBITA
	2008	2007	%	2008	2007	
	£m	£m		%	%	
USA	108.8	92.1	18.1	78.6	82.1	↑
Europe	142.2	126.6	12.3	87.0	87.0	→
UK	64.0	65.3	(2.0)	76.6	81.8	↓
Other businesses	20.8	18.7	11.2	90.9	91.2	↑
	335.8	302.7	10.9	82.3	84.5	(5.8)

UK Pest Control



	2007		2008	
	H1 £m	H2 £m	H1 £m	H2 £m
Revenue	31.2	34.1	32.7	31.3
Year on year change in adjusted PBITA	(2.1)	(1.3)	(2.2)	(5.0)
Portfolio net gain / (loss)	0.3	1.0	(0.2)	(2.9)
Contract retention rate (%)	84.3%	79.6%	81.9%	71.2%

Initial Facilities Services



Constant exchange rates

	Revenue			Retention		Year on year change in adj. PBITA
	2008	2007	%	2008	2007	
	£m	£m		%	%	
Cleaning ¹	383.5	377.0	1.7	89.2	85.7	↓
Catering	59.5	59.7	(0.3)	n/a	n/a	↑
Hospitals	65.0	62.8	3.5	83.3	93.4	↑
Other businesses	97.1	86.7	12.0	86.3	82.8	
	605.1	586.2	3.2	88.1	86.3	1.9

¹ Retention rate measures customer retentions. In 2008 a number of cleaning customers reduced the size of their contracts but did not terminate their relationship with us. Such reductions are not reflected in the retention rate.

Rentokil Initial Asia Pacific



Constant exchange rates

	Revenue			Retention		Year on year change in adj. PBITA
	2008	2007	%	2008	2007	
	£m	£m		%	%	
Asia	82.2	66.5	23.6	85.6	80.8	↓
Pacific ¹	97.7	91.5	6.8	87.2	89.1	↓↓
	179.9	158.0	13.9	86.5	86.1	(9.3)

¹ Australia, NZ, Fiji

Interest



Actual exchange rates

	2008			2008	2007
	H1	Q3	Q4	FY	FY
	£m	£m	£m	£m	£m
Net interest on bank/bond/finance lease debt (after hedging)	(29.9)	(16.8)	(19.4)	(66.1)	(69.5)
Expected return on pension scheme assets	30.1	15.3	16.3	61.7	52.3
Interest on pension scheme liabilities	(27.0)	(13.5)	(13.6)	(54.1)	(51.5)
	3.1	1.8	2.7	7.6	0.8
Mark-to-market/forex adjustments	3.6	(0.7)	(2.8)	0.1	(0.5)
Other items ¹	(1.1)	(0.6)	(1.8)	(3.5)	(2.7)
Per income statement	(24.3)	(16.3)	(21.3)	(61.9)	(71.9)
Average interest rate on bank/bond/finance/lease debt	5.8%	5.8%	6.1%	5.9%	6.2%
Average net debt	1,031	1,159	1,279	1,125	1,116

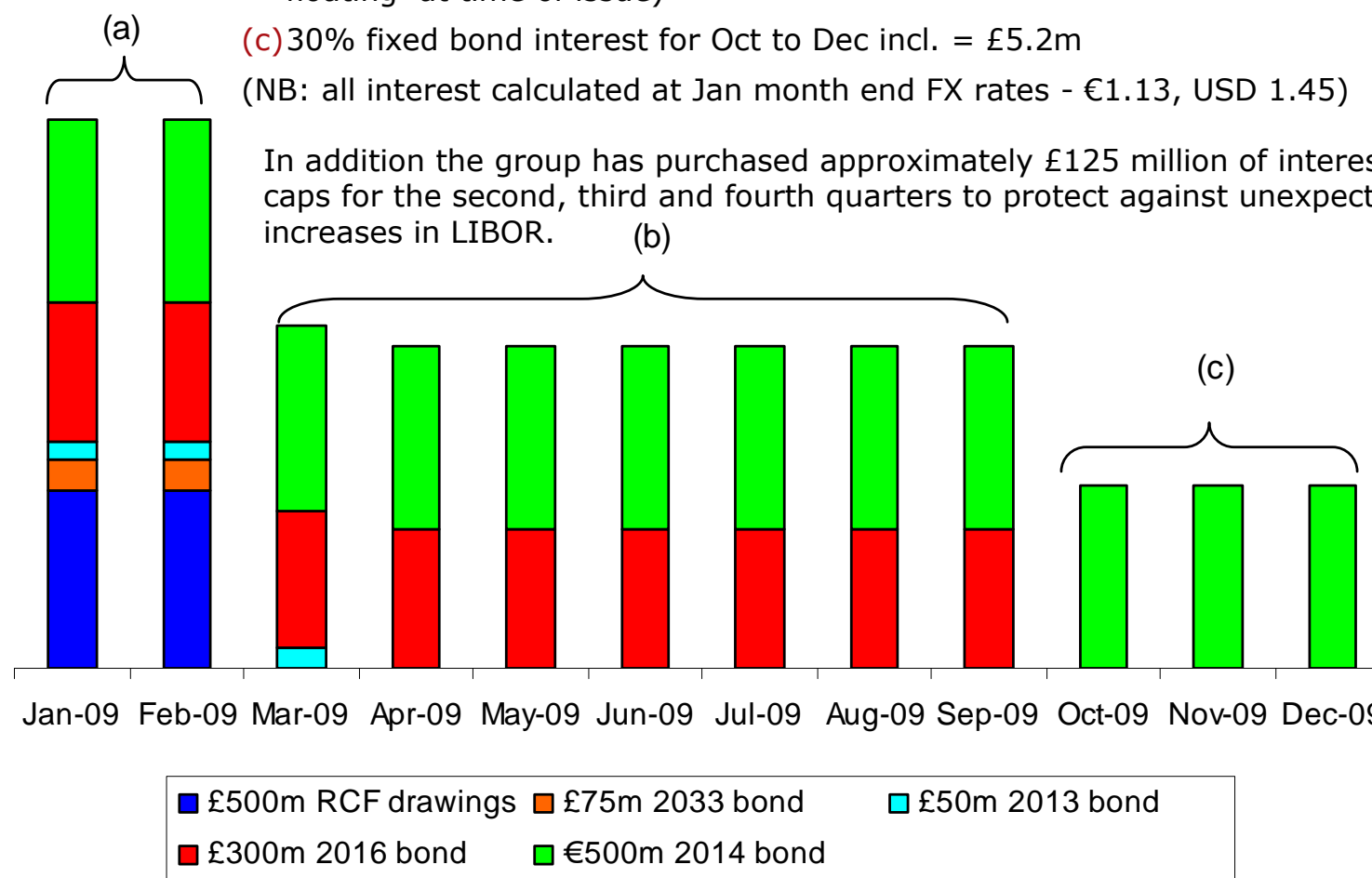
¹ Fees, unwind of discounts on provisions, etc

Interest Rate Fixings for 2009



- (a) 100% fixed. Bond and syndicated facility interest for Jan & Feb = £9.9m in total
 - (b) 60% fixed bond interest for Mar to Sept incl. = £23.4m (NB 2016 bond swapped to floating at time of issue)
 - (c) 30% fixed bond interest for Oct to Dec incl. = £5.2m
- (NB: all interest calculated at Jan month end FX rates - €1.13, USD 1.45)

In addition the group has purchased approximately £125 million of interest rate caps for the second, third and fourth quarters to protect against unexpected increases in LIBOR.



Taxation



At actual exchange rates

	2008		2007	
	£	%	£	%
Profit before tax (continuing ops)	22.8	100.0	142.0	100.0
<u>Explanation of tax charge</u>				
Expected charge ¹	7.2	31.6	42.6	30.0
Recurring factors affecting tax charge	(0.2)	(0.9)	(4.3)	(3.1)
	7.0	30.7	38.3	26.9
Deferred tax on unremitted profits	-	-	0.7	0.5
Other items ²	12.4	54.4	1.1	0.8
Prior year adjustments	(13.0)	(57.0)	(9.8)	(6.9)
Actual tax charge	6.4	28.1	30.3	21.3
Cash tax paid	27.3		27.1	

¹ Expected charge = profit before tax x blended rate. The 2009 blended rate is estimated at 30.1%

² Principally non-deductible expenses, deferred tax associated with goodwill impairments, write-off of deferred tax amount due to withdrawal of Industrial Buildings Allowances

Operating Cash Flow



Actual exchange rates

£ million

	2008	2007
Adjusted PBITA – continuing businesses	167.2	279.5
Adjusted PBITA – discontinued business ¹	5.0	25.5
One-off items	(19.6)	(28.4)
Depreciation	190.8	156.6
Non-cash items ²	4.9	(6.2)
EBITDA	348.3	427.0
Working Capital-divisions	15.5	(18.4)
Working Capital-group centre	(12.3)	(49.7)
Capex	(237.8)	(228.7)
Fixed asset disposal proceeds ³	15.8	57.9
Operating cash flow	129.5	188.1

¹ Provision release in the Electronic Security division

² In 2008, profit on sale of fixed assets, IFRS 2 etc.

³ Property, plant, vehicles

Free Cash Flow and Movement in Net Debt



Actual exchange rates

£ million

	2008	2007
Operating cash flow	129.5	188.1
Cash interest	(67.3)	(58.9)
Cash tax	(27.3)	(27.1)
Free cash flow	34.9	102.1
Dividend	(106.7)	(133.4)
Acquisitions ¹	(40.9)	(197.4)
Disposals	(2.1)	596.8
Pension deficit reduction payments ²	(33.3)	(80.0)
FX and IAS 39 fair value adjustments ³	(267.0)	(47.0)
(Increase)/ decrease in net debt	(415.1)	241.1
Closing net debt	(1,362.2)	(947.1)

¹ Cash consideration plus acquired debt

² £33m paid into escrow in 2008. £80m paid into scheme in 2007

³ Most of the group's debt is either denominated or hedged into Euro or US Dollars

Net Debt



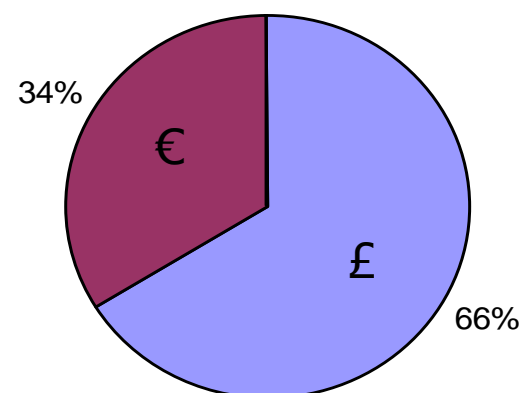
At 31/12/08 ¹

	£m
Committed bank facility drawings (Total facilities £625m)	(436.2)
Net cash (incl. finance leases)	26.6
£50m FRN (L+3.25%) 2013	(49.8)
£75m reset bond (L+3.98%) 2013-33	(75.5)
€500m 4.625% bond 2014	(487.7)
£300m 5.75% bond 2016	(339.6)
NET DEBT	(1,362.2)

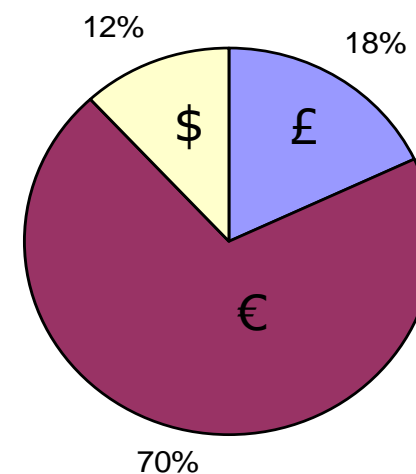
¹ IAS 39 values

² Cash less finance leases and other debt

Underlying debt currency split



Synthetic currency mix of debt





- Headroom:
 - £500m RCF, expires Oct 2012, drawn margin between LIBOR +37.5 bps and LIBOR +100 bps - £436m drawn at year end
 - £125m RCF, extendable at our sole option to 30 September 2010, drawn margin at current credit rating LIBOR +300 bps. Replaces previous £252m facility which would have matured Jan 2010 – fully undrawn
 - **Headroom at 31 December 2008 of £189m, £225m at 18 February 2009**
- Covenants:
 - Single financial ratio covenant: **“EBITDA” (as defined) must be at least 4x “interest” (as defined)** – common to both facilities
 - Tested semi-annually (June/December) on a 12 month look-back basis
 - **Ratio was 5.6X at 31 December 2008**

Finally....



- We will be making some changes to our reporting segments with effect from 1Q 2009 due to the introduction of IFRS 8. This will align our internal and external reporting structures. Comparative figures will be restated.
- Main changes are:
 - Transfer of UK washrooms from Textiles and Washroom Services to Initial Facilities Services (IFS)
 - Transfer of Specialist Hygiene from IFS and Pest Control to Textiles and Washroom Services
 - Transfer of the UK Shared Service Centre to IFS from group centre
- Restated 2008 figures are in the supplementary slides, quarterly details at www.rentokil-initial.com from 27 February 2009



Group Strategy and 2009 Priorities

**Alan Brown
Chief Executive**

Our Mission



**To deliver added value services to our customers in
Pest Control, Washrooms, Textiles, Facilities, Plants and
Parcels through our network of over 1000 branches**

Service Excellence

**Quality of
Relationship
Management**

**Highest Standard
of Professional
Advice**

**Global Reach and
Category
Leadership**



We want to be
the Best at What we Do
by doing what's right for our customers and colleagues



We keep
our promises



We
communicate



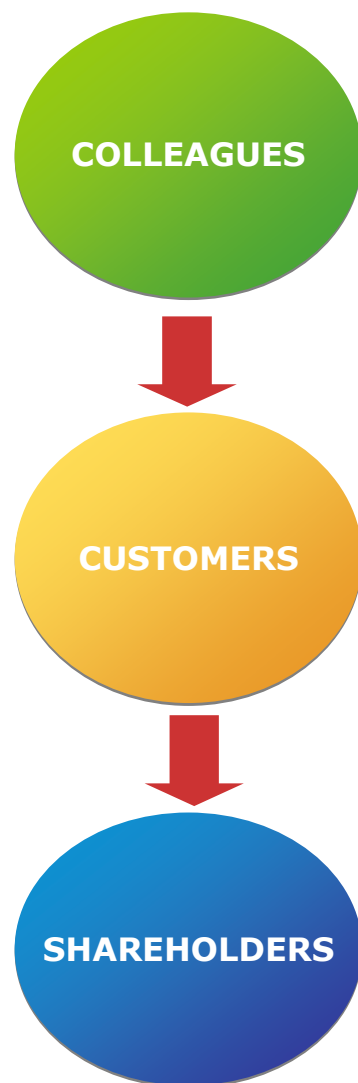
We support
our colleagues

Goals



Group Goals	2008
Colleague engagement (Rentokil & Ambius)	[73%]
Sales colleagues retention	[63%]
Service colleague retention	[66%]
H&S LTA rate	[1.8]
Gross sales % of opening portfolio	18.9%
Customer retention %	80.9%
Net gain % of opening portfolio	2.9%
Job sales % of total revenue	26%
State of Service	[96%]
Customer satisfaction (NPS)	[n/a]
Organic revenue growth	(0.8%)
Total revenue growth (incl acquisitions)	2.2%
APBITA margin (%)	6.3%
Debtors (DSO – days)	65
Cost savings delivered in year	
Cash conversion targets as % operating profit	85%
Gross capex as % of depreciation	115%

Goals



Group Goals	2008	
Colleague engagement (Rentokil & Ambius)	[73%]	
Sales colleagues retention	[63%]	
Service colleague retention	[66%]	
H&S LTA rate	[1.8]	
Gross sales % of opening portfolio	18.9%	
Customer retention %	80.9%	
Net gain % of opening portfolio	2.9%	
Job sales % of total revenue	26%	
State of Service	[96%]	
Customer satisfaction (NPS)	[n/a]	
Organic revenue growth	(0.8%)	
Total revenue growth (incl acquisitions)	2.2%	
APBITA margin (%)	6.3%	
Debtors (DSO – days)	65	59
Cost savings delivered in year		£50 million
Cash conversion targets as % operating profit	85%	95%
Gross capex as % of depreciation	115%	

2009

Strategic Thrusts



1. Delivering Outstanding Customer Service

2. Developing the Capability of our Organisation and People

3. Delivering Operational Excellence in all our processes and functions

4. Operating at lowest possible cost consistent with our service objectives and delivering maximum cash

5. Delivering Profitable Growth through organic and acquisitive actions

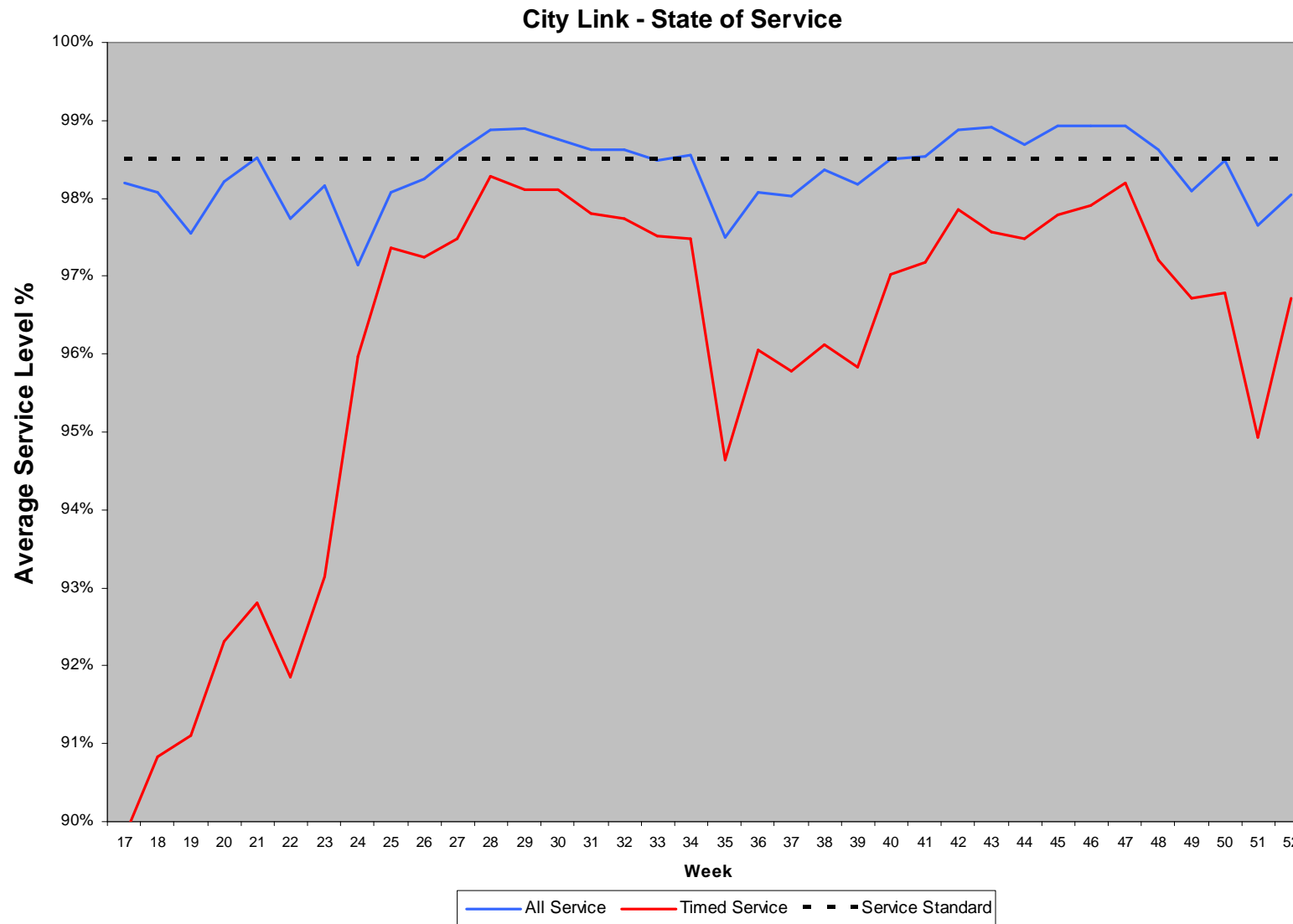
Strategic Thrust 1



Delivering Outstanding Customer Service

- Drive customer service across all our businesses
- Ensure personal accountability for customer relationships
- Instilling Values & Behaviours - Service, Relationships & Teamwork

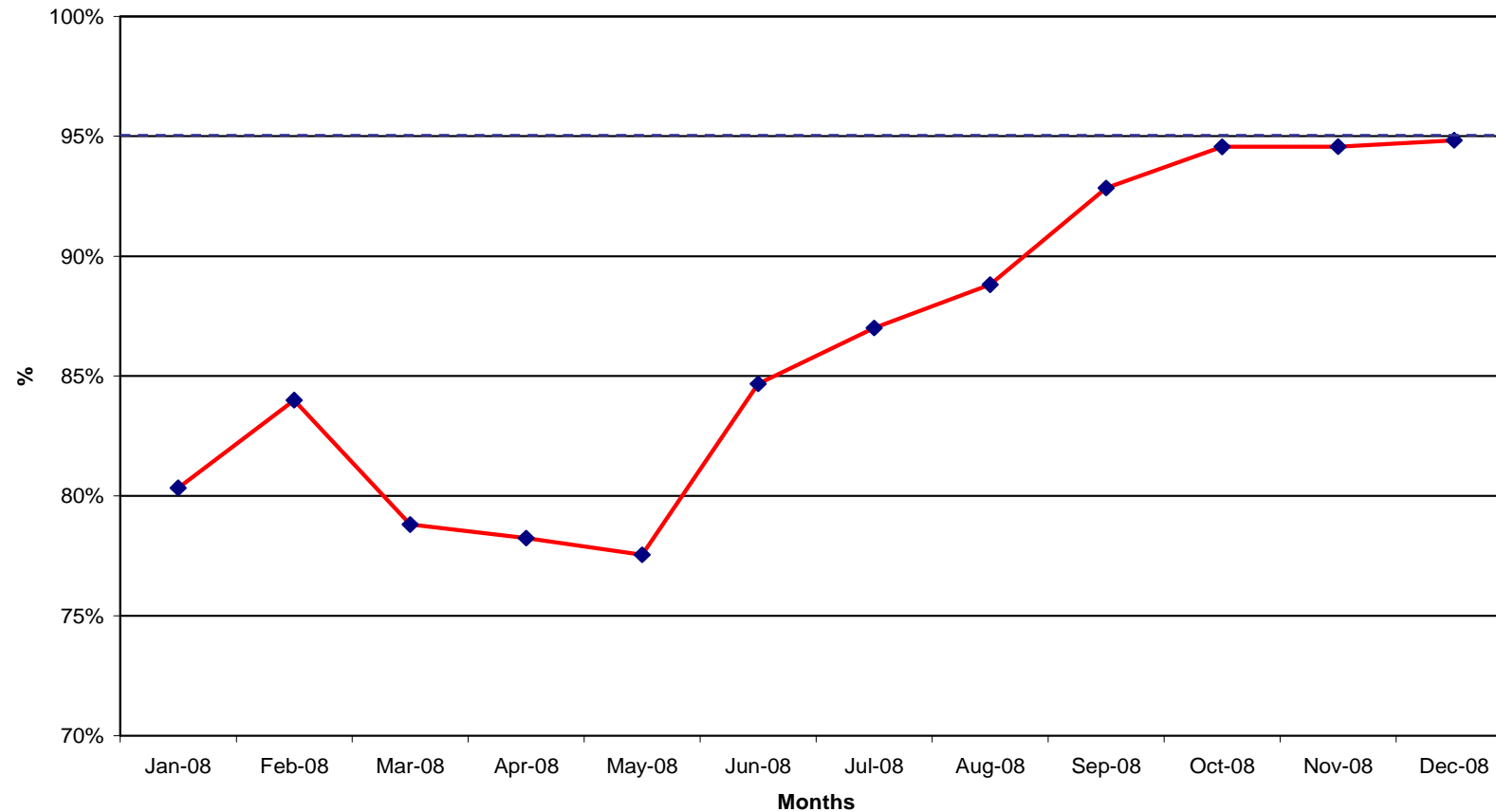
Customer Service – City Link



Customer Service – UK Washrooms



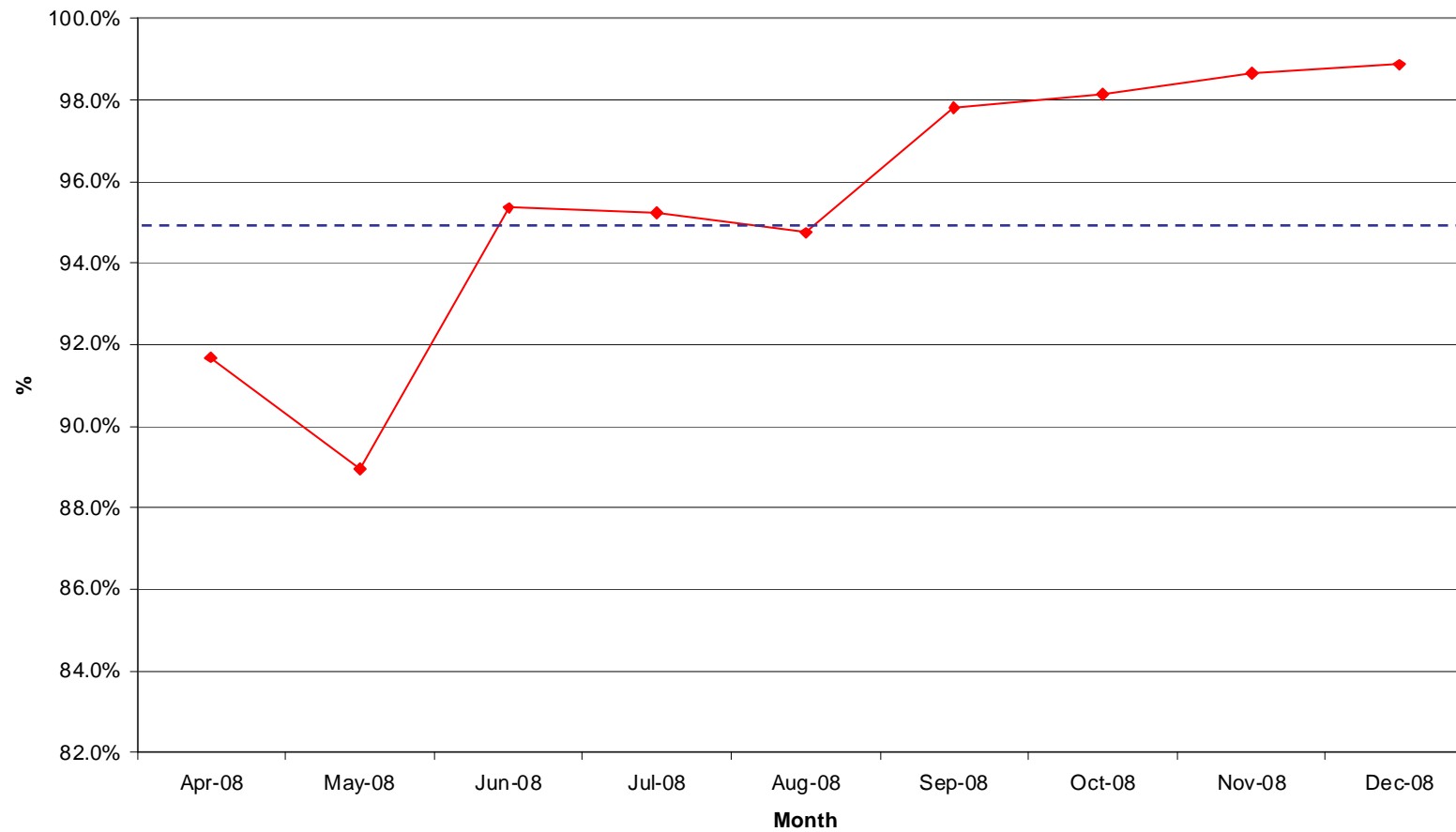
UK Washrooms - State of Service



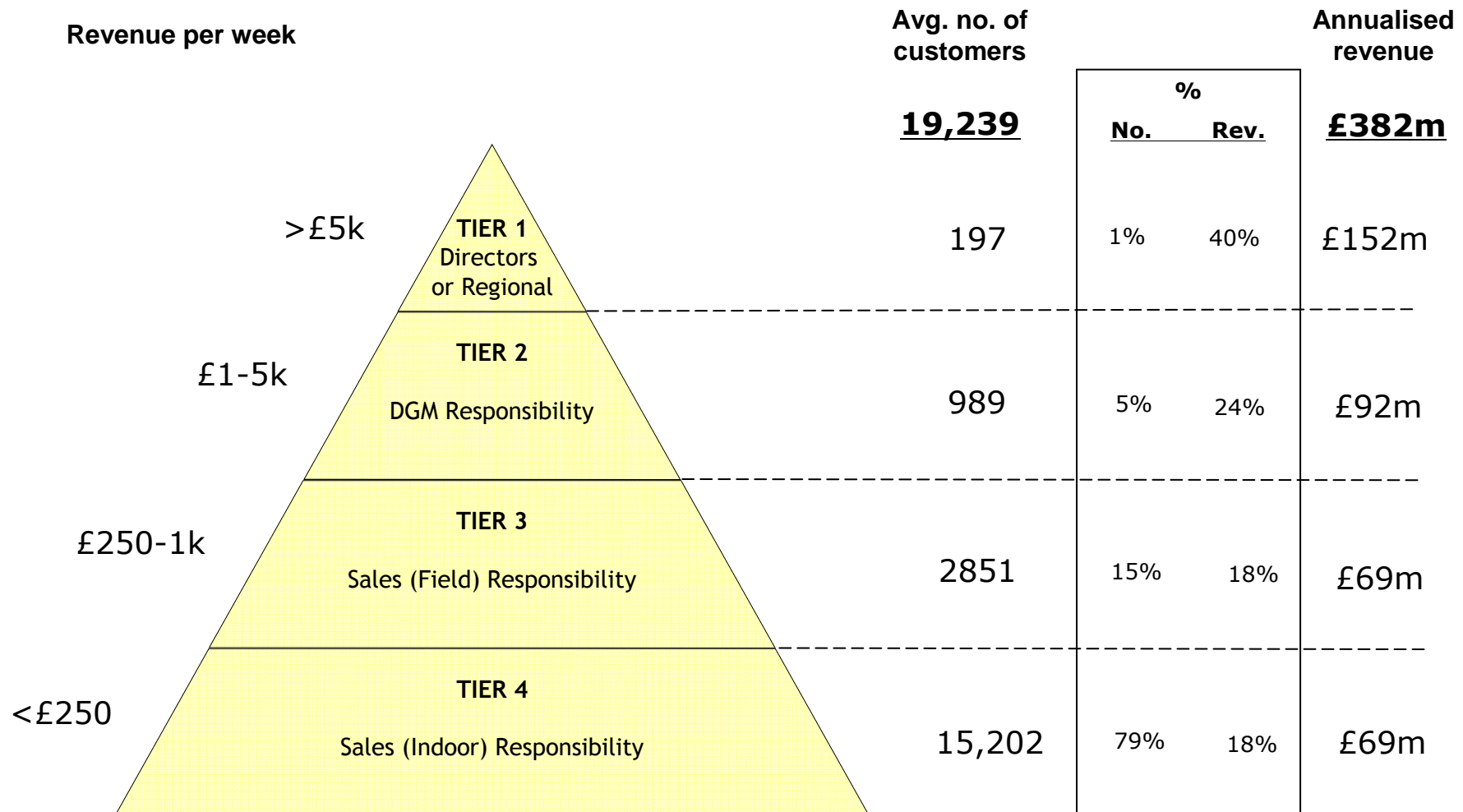
Customer Service – UK Pest Control



UK Pest Control - State of Service



Customer Relationships in City Link



Strategic Thrust 2



Developing the Capability of our Organisation and People

- Establish Category Capability - Pest Control, Washrooms, Ambius
- Develop common information systems & processes
- Drive Performance Management, Global Grading & HRIS
- Upgrade functional & operational management

Developing Capability



2009 P&L investment c. £20m

- **Service - £5m**
 - Delivering World Class Customer Service programme in pest control
 - Improving customer care offering in City Link
- **Capability - £3m**
 - Improving sales capability, particularly in pest control
 - Improving service systems and processes
- **Operational excellence - £3m**
 - Unified pricing, contract and invoicing solution in City Link
 - Pest Control systems and admin efficiency
- **Lowest Cost - £5m**
 - Improving Textile processing productivity
 - Delivering Procurement savings
 - Changing cages & trailers in City Link
 - Reducing depot numbers from 100 year end 2008 to 86 year end 2009
- **Growth - £4m**
 - Sales team productivity
 - Sales investment in European Textiles and Washrooms

Strategic Thrust 3



Delivering Operational Excellence in all our processes and functions

- Consistent KPIs across and down the organisation
- Consistent Operating Framework
- Common systems across our businesses
- Fix City Link
- Fix UK Pest & Washrooms
- Fix Australia Pest & Washrooms

Objectives for City Link



- Deliver £30m cost savings
 - Pallet cage & curtain side trailer investment H1 2008
 - Depot rationalisation – from 100 to 86 in 2009/10
 - Massive reduction in credits and 'DMB' guarantees
 - Full year benefit of reduction in people (1000) and vehicles (400)
 - Additional reduction of 400 vehicles & 200+ people in 2009
- Minimise loss in revenue
- Commence systems integration project
- Determine way forward on single hub
- Maintain high standards of customer service

Objectives for UK Pest Control



- Reverse decline in revenue
 - Establish tier contact model to improve customer relationships
 - Capitalise on major improvement in service
 - Complete competitiveness study
 - Fix poorly performing branches
 - Drive sales performance agenda
- Continue improvement in Accounts Receivable collection
- Focus on colleagues, following a long period of internal restructuring

Objectives for UK Washrooms



- Reverse decline in revenue
 - Establish tier contact model to improve customer relationships
 - Capitalise on major improvement in service
 - Drive sales performance agenda
- Continue improvement in Accounts Receivable collection
- Generate major improvement in service productivity
- Generate major improvement in stock management
- Focus on colleagues, following a long period of internal restructuring

Strategic Thrust 4



Operating at lowest possible cost consistent with our service objectives and delivering maximum cash

- Driving down administration costs
- Reducing Days Sales Outstanding
- Increasing service agent productivity
- Delivering procurement savings
- Increasing European textile processing productivity

Driving Down Administration Costs



- Administration costs £500m, 20% of revenue
- Significant opportunity to improve service and reduce cost
- Design principles:
 - Branch accountability for customer facing activities
 - Country back office administration centres (by division in large RTO countries)
 - Global process alignment on an 80/20 basis
 - Global systems alignment on an 80/20 basis
 - Global organisation and role alignment on an 80/20 basis
 - Data captured once at source
- Project in early scoping stage, with delivery expected 2010/2011

Reducing Days Sales Outstanding



- Target to reduce DSO from 65 to 59 by end 2009
 - All management bonus linked to cash conversion
 - Cash collection the responsibility of front line management, not just credit controllers
 - Upgrade quality of credit management
 - Introduce best practice processes including Dunning cycle
 - Improve Direct Debit penetration
 - Systems development to ensure visibility of Accounts Receivable & progress on query management; and to support cash allocation

- Gets easier as quality of service and customer experience improves; fewer queries = fewer obstacles to collection

Increasing Textiles Processing Productivity



- Initial A T Kearney / RTO management report on modern Lokeren facility indicates:
 - On-site savings of 12.5% of processing & distribution costs, which account for 45% of revenue, with payback of 1.5 years
 - Capacity utilisation of 45% on a two-shift basis
 - In principle, clear cut case to take out capacity elsewhere, resulting in significant productivity gains
- Next steps:
 - Move forward with specific proposals for Lokeren
 - Apply key elements of methodology to 60 other Textiles plants in Europe
 - Ration capital to sites with a longer term future
 - Rationalise information systems

Strategic Thrust 5



Delivering Profitable Growth through organic and acquisitive actions

- Sales productivity:
 - improve targeting of new customers
 - increase focus on selling to existing customers
 - better people selection & training
- Marketing:
 - improve competitiveness in UK Pest
 - continued product & service development
 - improve lead generation through web development & service agent training
 - improve brand credentials through web development and consistency & quality of service
- Continue to acquire smaller companies
- Enter developing markets

Group Priorities for 2009



- **Service**

- Build on the improvements in state of service
- Develop customer relationships, using tier tool to define the level of the relationship

- **Capability**

- Invest in systems, people and the operating framework
- Drive the functional agendas

- **Operational excellence**

- World class service
- Substantial reduction in City Link losses
- Turnaround pest control businesses in UK and Spain
- Turnaround UK Washrooms

- **Costs and Cash**

- Cash conversion 85% to 95% of operating profit; DSO from 65 days to 59
- Reduce costs by over £50m
- Develop plan for reducing administration costs from 20% revenue

- **Growth**

- Develop sales and marketing capability

Summary for 2008, Outlook for 2009



- **Extremely challenging year for RTO, driven primarily by implementation failures**
 - APBITA reduction of £137m, predominantly in Turnaround businesses
 - City Link £88m
 - UK Washrooms £14m
 - UK Pest, Australia, Other £35m
 - Customer Service breakdown in Turnaround businesses – now recovered
 - Accounts Receivable issues – progress made in Q4
 - Operational 3 year plan now in place; good progress in driving City Link recovery
- **Outlook**
 - Trading conditions are deteriorating, especially in the UK & US
 - But profitability expected to improve in second half of 2009:
 - Cost reduction initiatives in City Link
 - Currency & interest cost benefit
 - Modest profitability improvement across remaining businesses: gains to be reinvested to support the 5 strategic thrusts



Questions



APPENDICES

2008 Gross Capex



Actual ROE	Equipment for Rental £m	Land and Buildings £m	Plant and Equipment £m	Vehicles £m	Other £m	Total £m
Washrooms & Textiles	114.2	7.9	17.6	12.0	3.1	154.8
Pest Control	1.7	0.4	0.7	8.1	1.9	12.8
Ambius	9.0	0.9	0.3	2.3	0.5	13.0
City Link	-	2.6	2.1	-	5.1	9.8
Facilities Services	0.4	0.1	8.0	1.8	1.4	11.7
Asia Pacific	8.9	1.7	0.8	8.7	2.1	22.2
Other	2.6	0.2	0.1	1.6	0.4	4.9
Central	-	0.3	-	-	0.1	0.4
Continuing operations	136.8	14.1	29.6	34.5	14.6	229.6

Note – accruals basis property plant and equipment notes to the accounts

Restated 2008 segmental results at AER



	3 months to 31 March 2008	6 months to 30 June 2008	9 months to 30 September 2008	12 months to 31 December 2008
(2008 actual exchange rates)	£m (unaudited)	£m (unaudited)	£m (unaudited)	£m (unaudited)

Revenue

Textiles & Washroom Services	168.2	343.1	519.9	711.1
Facilities Services	164.5	326.6	487.6	653.0
City Link	95.2	191.2	284.7	381.9
Pest Control	97.0	204.9	315.6	426.6
Asia Pacific	47.5	97.7	149.0	196.5
Ambius	26.7	54.1	81.6	119.3
Segmental revenue	599.1	1,217.6	1,838.4	2,488.4
Inter group trading	(21.0)	(39.5)	(59.5)	(78.5)
Continuing operations at actual exchange rates	578.1	1,178.1	1,778.9	2,409.9

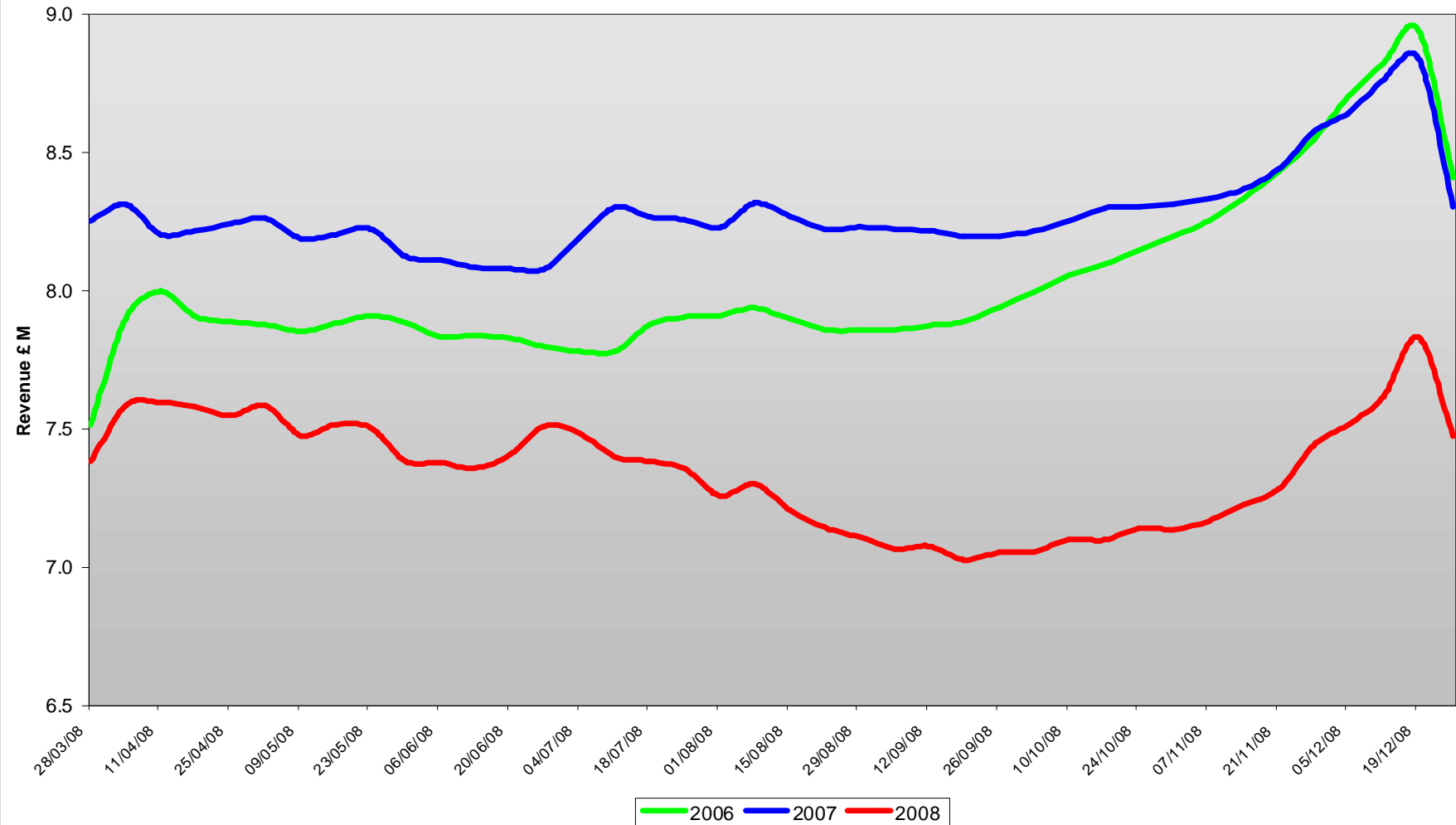
Adjusted operating profit

Textiles & Washroom Services	28.4	54.9	86.1	119.1
Facilities Services	6.1	11.1	9.2	18.4
City Link	(15.4)	(27.9)	(39.5)	(43.5)
Pest Control	15.7	37.4	60.5	78.0
Asia Pacific	6.5	11.6	17.8	23.6
Ambius	1.4	3.1	4.9	9.9
Central Costs	(10.1)	(18.7)	(28.7)	(38.3)
Segmental profit	32.6	71.5	110.3	167.2
One-off items	(1.5)	(3.3)	(3.2)	(19.6)
Amortisation of intangibles¹	(12.1)	(24.8)	(37.2)	(51.1)
Impairment of goodwill	-	(1.7)	(1.7)	(14.4)
Continuing operations at actual exchange rates	19.0	41.7	68.2	82.1

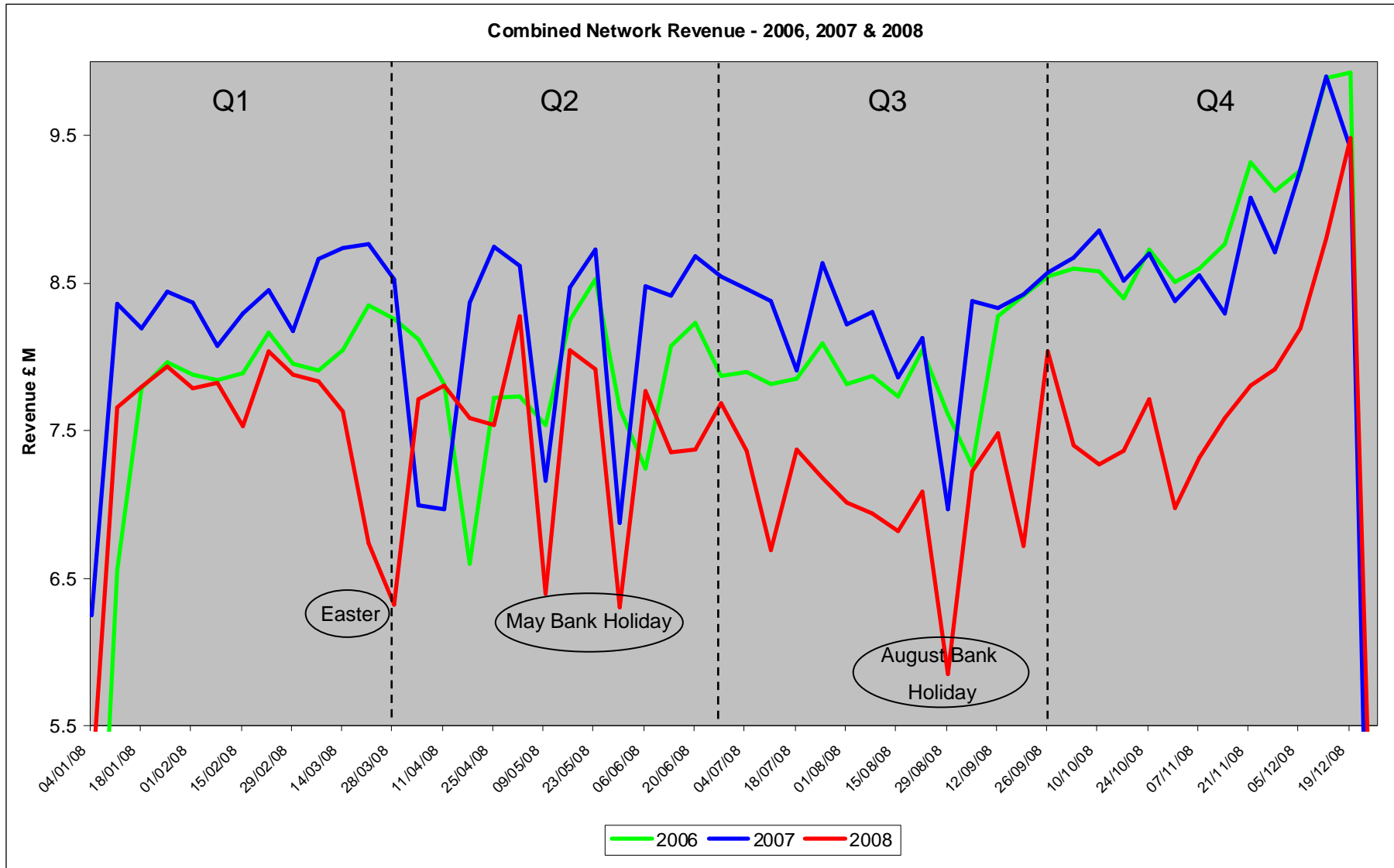
City Link - Combined Weekly Network Revenue



13 week Moving Average: Combined Network Revenue – 2006, 2007 & 2008



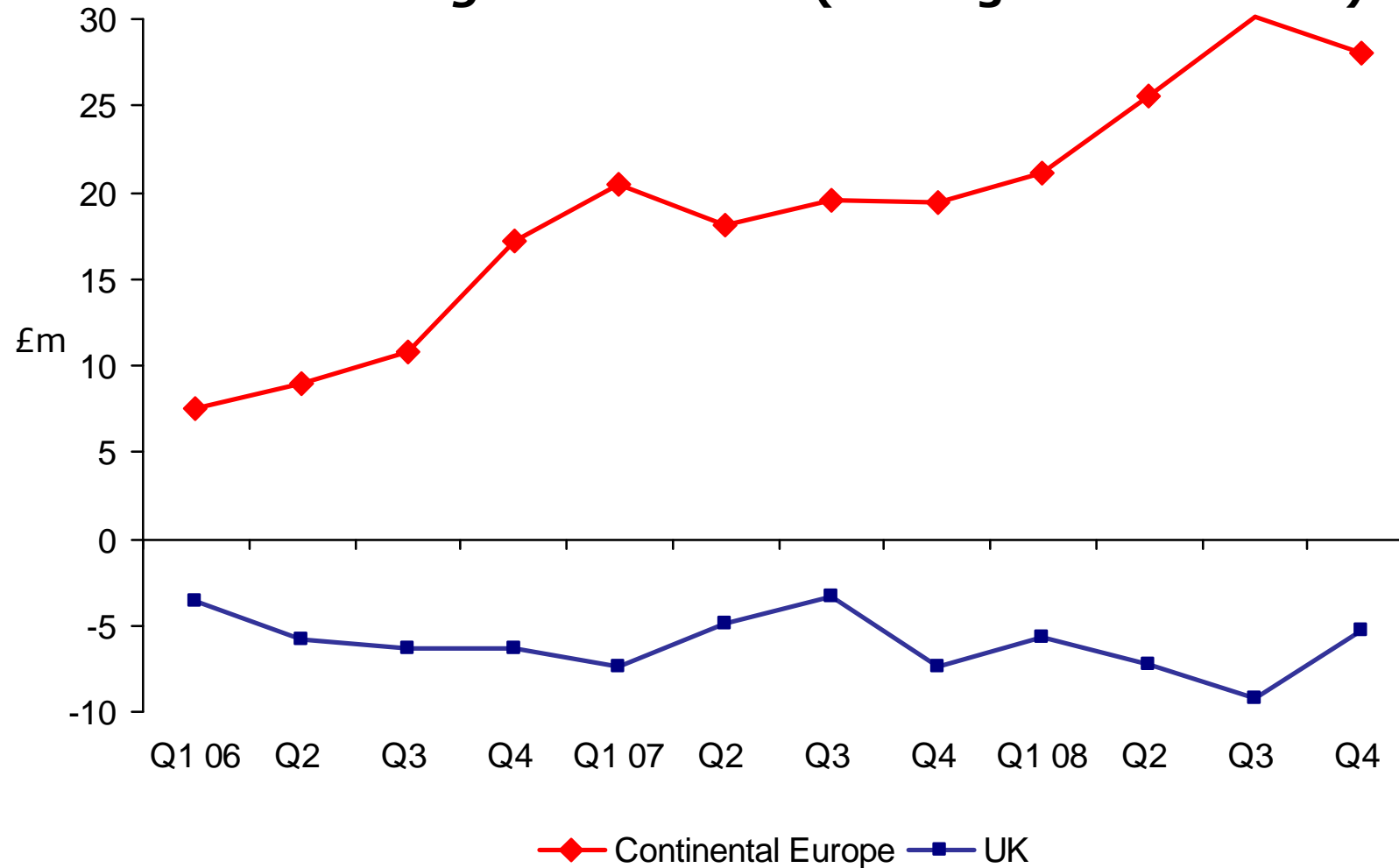
Combined Weekly Network Revenue



Initial Textiles & Washroom Services



Portfolio *Organic* Net Gain (Moving Annual Totals)





Constant exchange rates

	Revenue			Retention		Year on year change in adj. PBITA
	2008	2007	%	2008	2007	
	£m	£m		%	%	
Europe	47.4	44.6	6.3	86.8	88.8	↑
North America	61.3	62.8	(2.4)	86.3	86.7	↓
	108.7	107.4	1.2	86.5	87.7	(1.1)

Foreign Exchange Impact : 2008 APBITA and Net Assets



	2008 adj. PBITA			Net Assets		
	Euro rate	US \$ Rate	£ m	Euro rate	US \$ Rate	£ m
Constant 2007	1.46	2.00	142.9	-	-	-
Reported 2008	1.26	1.85	167.2	1.04	1.46	(61.9)