2 May 2008

RENTOKIL INITIAL PLC (RTO)
FIRST QUARTER TRADING UPDATE FOR THREE MONTHS ENDED 31 MARCH 2008

Headline financials

- As stated on 21 April 2008, continuing problems within City Link have impacted group financial performance
- Revenue up 6.6% to £553.6 million (2007: £519.1 million)*
- Q1 adjusted operating profit and adjusted profit before income tax £28.7 million (2007: £54.0 million) and £14.6 million (2007: £35.4 million) respectively*
- City Link Q1 adjusted operating loss of £15.4 million on revenue down 8.0% (adjusted for lower trading days)
- Excluding City Link, revenue up 8.0% and adjusted operating profit up 0.7%*
- Profit before income tax from continuing operations £5.0 million (2007: £23.6 million)

**at constant exchange rates*

Operational developments

- New City Link management team has made some progress in addressing operational problems:
  - Service levels showing early signs of improvement
  - Development of seven-point plan to improve customer service, develop integrated information systems and optimise hub and depot network
- Strong performance from Pest Control particularly continental Europe

Alan Brown, Chief Executive Officer of Rentokil Initial plc, said:

"A number of our businesses are making good progress in growing the top line, developing customer portfolios and reducing termination rates. However, we have struggled to implement major change programmes which has affected our ability to turn top line growth into profit.

"We have outlined our plan to restore City Link to operational and financial health but returning the business to its former levels of profitability is likely to take some time. The group agenda is now to focus on operational excellence and efficiency, with improvements in customer service being the primary indicator of success in the short-term.

"Our current annual dividend totalling 7.38 pence per share for 2007 is not supportable based on 2008 performance. The board will review the 2008 dividend payout at the time of the interim results in August. There is no change to the final recommended dividend for 2007."

Financial Summary

£million	First Quarter		
	2008	**2007**	***change***
Pro forma Continuing Operations[1]			
At 2007 constant exchange rates[2]			
Revenue	**553.6**	519.1	*6.6%*
Operating profit before amortisation of intangible assets[3]	**27.2**	51.7	*(47.4%)*
Add back: one-off items	**1.5**	2.3	*34.8%*
Adjusted operating profit[4]	**28.7**	54.0	*(46.9%)*
Share of profit from associates (net of tax)	**0.6**	0.5	*20.0%*
Interest	**(14.7)**	(19.1)	*23.0%*
Adjusted profit before income tax[4]	**14.6**	35.4	*(58.8%)*
Continuing Operations[1]			
At actual exchange rates			
Revenue	**578.1**	515.3	*12.2%*
Operating profit before amortisation of intangible assets[5]	**31.1**	50.8	*(38.8%)*
Amortisation of intangible assets[6]	**(12.1)**	(8.6)	*(40.7%)*
Operating profit	**19.0**	42.2	*(55.0%)*
Share of profit from associates (net of tax)	**0.7**	0.5	*40.0%*
Net interest payable	**(14.7)**	(19.1)	*23.0%*
Profit before income tax	**5.0**	23.6	*(78.8%)*
Operating cash flow	**17.0**	52.0	*(67.3%)*
Free cash flow[7]	**(29.6)**	26.2	-

[1]All figures are for continuing operations and are unaudited.
[2]Results at constant exchange rates have been translated at the full year average exchange rates for the year ended 31 December 2007. £/$ average rates: Q1 2008 1.9859; Q1 2007 1.9623; FY 2007 2.0038. £/€ average rates: Q1 2008 1.3159; Q1 2007 1.4869; FY 2007 1.4586.
[3]Before amortisation of intangible assets (other than computer software and development costs) of £11.5m (2007: £8.6m).
[4]Before amortisation of intangible assets (other than computer software and development costs) of £11.5m (2007: £8.6m) and items of a one-off nature of £1.5m (2007: £2.3m). See appendix 4 for further details.
[5]Before amortisation of intangible assets (other than computer software and development costs) of £12.1m (2007: £8.6m).
[6]Other than computer software and development costs.
[7]Cash flow before acquisitions, disposals, equity dividend payments and special pension contribution.

For further information

Shareholder/analyst enquiries:

Andrew Macfarlane, Chief Financial Officer	Rentokil Initial plc	020 7592 2700
Katharine Rycroft, Head of Investor Relations		07811 270734

Media enquiries:

Malcolm Padley, Head of Corporate Communications	Rentokil Initial plc	07788 978 199
Kate Holgate, Tom Williams	Brunswick Group	020 7404 5959

A conference call for analysts and shareholders will be held today at 09.00am. To join this call, please dial +44 (0)20 7806 1957 (UK), +33(0) 1 70 99 43 00 (France), +852 3002 1355 (Hong Kong), and +1 718 354 1389 (US). A recording of the call will be available for 14 days on the following numbers: UK: +44 (0)20 7806 1970, France: +33 (0)1 71 23 02 48, Hong Kong: +852 3002 1607 and US: +1 718 354 1112.

This announcement contains statements that are, or may be, forward-looking regarding the group's financial position and results, business strategy, plans and objectives. Such statements involve risk and uncertainty because they relate to future events and circumstances and there are accordingly a number of factors which might cause actual results and performance to differ materially from those expressed or implied by such statements.

Basis of preparation

In all cases, references to operating profit are for continuing businesses before amortisation of intangible assets (other than computer software and development costs). References to adjusted operating profit and adjusted profit before income tax also exclude items of a one-off nature, totalling a net cost of £1.5 million (2007: £2.3 million) that have impacted the results for the period. They relate to the group's restructuring programme and consist of consultancy, redundancy and reorganisation costs and City Link integration costs. They have been separately identified as they are not considered to be "business as usual" expenses and have a varying impact on different businesses and reporting periods. An analysis of these costs by division is provided in appendix 4. This commentary reflects the management divisional structure and not the statutory segmental information. All comparisons are at constant 2007 full year average exchange rates.

In 2008 certain shared service, IT and other costs that were treated as central costs in 2007 are being charged to the businesses that benefit from them. In the first quarter such costs totalled £1.7 million and have principally been recharged to Textiles and Washroom Services (£0.4 million), Pest Control (£0.7 million), Facilities Services (£0.5 million) and Asia Pacific (£0.1 million). Comparative figures have not been restated.

QUARTERLY REVIEW

First quarter revenue for the group as a whole of £553.6 million was 6.6% higher than prior year with all divisions reporting increased revenues. Each division grew revenues by over 5% with the exception of City Link and Textiles and Washroom Services. As indicated in the trading update of 21 April, network revenue within City Link was 11% lower than Q1 2007 and, adjusted for lower trading days in 2008, revenue was down 8%. Excluding the impact of acquisitions and disposals and absent City Link, organic growth in the quarter was 2.6%.

The quarterly portfolio gain was £24.1 million, equivalent to an annualised growth rate of 6.3%. It was made up of new business wins of £47.2 million, acquisitions/disposals of £4.4 million and net additions/reductions of £19.2 million offset by terminations of £46.7 million, implying an annualised customer retention rate of 87.8% (2007: 88.4%).

Group operating profit (before amortisation of intangible assets of £11.5 million) of £27.2 million was 47.4% lower than in 2007 and was adversely affected by City Link's loss of £16.9 million (2007: £9.3 million profit) in the period. Adjusted operating profit (before amortisation of intangibles) of £28.7 million showed a decrease of 46.9% year-on-year; excluding City Link, the balance of the group's profit at this level grew by 0.7%. Adjusted profit before income tax (again, before amortisation of intangible assets) fell 58.8% to £14.6 million.

The group's revenue and profit at actual rates of exchange benefited from the weakness of Sterling compared to 2007. First quarter revenue growth at actual exchange rates was 12.2% (6.6% at constant rates) and the decline in adjusted operating profit was 38.6% (46.9% at constant rates).

Initial Textiles and Washroom Services

£ million	**First Quarter**		
	2008	**2007**	***Change***
At 2007 constant exchange rates:			
Portfolio – net movement (appendix 1)	**9.2**	1.2	[redacted]
Revenue	**151.5**	150.4	*0.7%*
Operating profit (before amortisation of intangible assets[1 and 2])	**24.6**	24.2	*1.7%*
One-off items	**-**	1.0	-
Adjusted operating profit (before one-off items and amortisation of intangible assets[1 and 2])	**24.6**	25.2	*(2.4%)*

[1] Other than computer software and development costs
[2] After charging additional central costs of £0.4 million in 2008

Headline revenue for the division was up 0.7%, held back by the disposal of the UK Wipers business and German Hospital Services business in the second half of last year. Excluding Wipers and German Hospital Services, the division grew revenue by 3.2% (2.6% organically). Growth in continental Europe was 4.8%, offset by a decline of 7.0% in the UK washroom business. Adjusted operating profit of £24.6 million was down 2.4% on 2007, attributable to three principal factors: additional costs recharged from the group centre (£0.4 million); lower UK washroom profit (£0.2 million); and higher divisional costs (£0.5 million) to allow the business to investigate efficiency and procurement opportunities in its logistics and supply chain. Profit from the continental European business was up 2.9%.

Net portfolio gain for the quarter was strong with growth of 1.6%. This can be attributed both to good levels of retention, currently at 90.7% from 89.7% this time last year, and a slightly easier pricing environment in our major markets.

The physical infrastructure changes within the UK washroom business are complete following the closure in Q4 of our plants at Bradford and Chorley and the opening of three new towel and mat laundries in Reading, Birmingham and Glasgow, all of which are fully operational. In our 2007 first quarter trading statement we reported that the business continued to experience higher than acceptable termination rates. It is therefore encouraging that despite the physical disruption that has been incurred, the business grew its portfolio in the first quarter of 2008. The focus for the remainder of the year is firmly on improving customer service and sales.

Rentokil Pest Control

£ million	**First Quarter**		
	2008	**2007**	***change***
At 2007 constant exchange rates:			
Portfolio – net movement (appendix 1)	**3.5**	4.2	[redacted]
Revenue	**76.7**	65.8	*16.6%*
Operating profit (before amortisation of intangible assets[1 and 2])	**11.4**	10.2	*11.8%*
One-off items	**-**	0.4	-
Adjusted operating profit (before one-off items and amortisation of intangible assets[1 and 2])	**11.4**	10.6	*7.5%*

[1] Other than computer software and development costs
[2] After charging additional central costs of £0.7 million in 2008

The Pest Control division continued to perform strongly in the first quarter of 2008 delivering revenue growth of 16.6% and adjusted operating profit growth of 7.5% (or 14.2% if the additional central cost recharges are excluded). Organic revenue growth was 7.3%. The profit performance represents a significant improvement on the first quarter of 2007 which incurred a full quarter of seasonal losses at the US business, JC Ehrlich. Work to improve off-season productivity led to a year-on-year reduction in US losses of £1.2 million.

Across continental Europe, profit grew 9.6% on revenue up 14.4% (6.6% organic). Revenue growth was strong across the territory aided by particularly strong performances in France, Spain, Portugal and the Netherlands.

The UK pest control business generated its best Q1 sales growth in five years. Revenue increased by 14.5%, the highest organic growth rate across the division, as a result of a sustained drive on sales, improvements in customer retention and contract portfolio growth. Returning this business to profit growth in 2008 remains a priority for the Pest Control division.

North America grew revenue by 24.8% in Q1 and includes the contribution from Presto-X, acquired in July 2007. Organic growth was 3.4%. There are no signs at present that the business is being affected by the US economic climate, but we are keeping this under careful review. A focus on off-season productivity has significantly mitigated the impact of the traditional first quarter losses which were reduced by £1.2 million. The business was forced to exit Copesan, a US organisation of independent regional pest control companies, in January as a result of our increased geographic presence. The exit from Copesan allows us greater freedom to develop the business in the future but will have a short-term impact, reducing 2008 revenue by an estimated £3 million.

Ambius

£ million	First Quarter		
	2008	**2007**	***Change***
At 2007 constant exchange rates:			
Portfolio – net movement (appendix 1)	**2.1**	0.5	[redacted]
Revenue	**25.6**	24.3	*5.3%*
Operating profit (before amortisation of intangible assets[1])	**0.9**	0.4	*125.0%*

[1] Other than computer software and development costs

Ambius revenue was up 5.3% year-on-year (2.5% organic). This result was a combination of strong portfolio growth of 2.4% in the quarter and good job sales. Profit was up 125.0% on last year, but benefited from the non-recurrence of Ambius re-branding costs amounting to £0.5 million in the first quarter of 2007.

Europe has continued to perform well during the period. Further, the new management team in place in the UK business has made progress in addressing performance issues and for the first time in two years has achieved organic portfolio growth. Retention has improved from 85.8% in Q4 2007 to 88.9% and the business is making good progress towards its goal of quarter-on-quarter profit growth at the end of this year.

We continue to be cautious about revenue and profit growth in North America as the economic downturn is showing signs of softening portfolio and job sales growth across the region. Revenue growth was 1.2% in the first quarter, but good cost control enabled a small increase in profit.

Sales in new brand extension services, including ambient scenting and fresh fruit delivery, accounted for 15.9% of portfolio sales in Q1 and continue to aim to offset any downturn in trading.

City Link

£ million	First Quarter		
	2008	**2007**	***Change***
At 2007 constant exchange rates:			
Revenue	**95.2**	94.5	*0.7%*
Operating profit (before amortisation of intangible assets[1])	**(16.9)**	9.3	-
Integration costs	**1.5**	0.9	-
Adjusted operating profit (before integration costs and amortisation of intangible assets[1])	**(15.4)**	10.2	-

[1] Other than computer software and development costs

The new senior management team put in place at City Link over the past two months has begun to address the operational problems within the business. This team, consisting largely of individuals experienced in running non-franchise networks, has already enjoyed some success in improving service levels and in re-establishing relationships with customers.

However, the declining performance trend of the fourth quarter 2007 has continued into Q1 2008. This is a result of the difficulties experienced in integrating the City Link franchisees and the Target Express acquisition with the core City Link business. This has led to a greater than anticipated operating loss (before amortisation of intangible assets) of £16.9 million, of which £10 million is attributable to non-recurring costs. In accordance with our policy (see basis of preparation) £1.5 million of these costs, relating primarily to depot integration, have been treated as one-off items. The adjusted operating loss for the quarter was therefore £15.4 million (2007: profit £10.2 million).

Network revenue was 11% lower than Q1 2007. Adjusted for lower trading days in 2008, revenue was down 8.0%. Revenue from the top 50 customers, which accounts for 26% of total revenue, has grown year on year. The loss of revenue is primarily from small accounts, which have been particularly adversely affected by the buy-back of franchisees and the problems experienced as a result of the attempted integration of Target Express and City Link.

Headline costs have risen sharply from £84.3 million in Q1 2007 to £110.6 million (adjusted to exclude one-off items of £1.5 million) in Q1 2008. Approximately £13 million of this increase is attributable to the cost bases of the acquired franchisees (offset by the acquired revenue). A further £8.5 million is attributable to non-recurring costs (which were not restructuring costs and do not meet our definition of one-off items) and the balance of £5 million to underlying cost increases.

As announced on 21 April, in light of first quarter trading and the current trends in revenue and costs, it now appears likely that the division will incur a significant full year loss.

Although City Link's new management team has made progress in sales generation and improved account management, the team has a number of challenges to address and will work to a seven-point plan which will involve:

- Re-instituting a service orientated culture by ensuring customer services are in close proximity to our customers;
- Establishing operating systems that enable information to be shared across the combined network, reliably and securely;
- Establishing control systems and processes that enable transparency of information and enable central control of costs, where appropriate, rather than the dispersal of costs and controls across each of the 94 depots;
- Reviewing the size, number and location of hubs and depots;
- Right-sizing resources to match the cost base to current levels of revenue;
- Considering how to capitalise on the growth opportunities in the parcels market; in particular the growth of B to C driven by Internet purchases; and
- Ensuring that the organisation has the capability to drive this agenda efficiently and effectively.

Initial Facilities Services

£ million	**First Quarter**		
	2008	**2007**	***change***
At 2007 constant exchange rates:			
Portfolio – net movement (appendix 1)	**5.2**	0.4	[redacted]
Revenue	**153.2**	143.2	*7.0%*
Operating profit (before amortisation of intangible assets[1 and 2])	**8.6**	9.8	*(12.2%)*

[1] Other than computer software and development costs
[2] After charging additional central costs of £0.5 million in 2008

Revenue from Initial Facilities Services increased 7.0% primarily driven by increased contract turnover from the acquisition of Lancaster in 2007 offset by the sale of the Netherlands cleaning business last year. Organic revenue growth was 0.4%. Operating profit declined 12.2% year-on-year principally as a result of the re-allocation of central charges (£0.5 million), and asset write-offs in Spain where the back office of the division's cleaning business is being reorganised (£0.5 million).

In UK Cleaning, market conditions remain tough particularly in the retail and leisure sectors. First quarter revenue (excluding Lancaster) was £6.3 million lower, reflecting contract losses in the second half of last year but initiatives to streamline the cost base and improve client satisfaction are ongoing and are producing encouraging results. In particular, the RAPID customer account management initiative is being rolled out across the cleaning business and SmartClean, our daytime cleaning concept, is being well received by clients.

In Catering we have had some good early contract wins and are seeing slightly improved margins as a result of exiting unprofitable contracts during 2007. Food costs continue to rise and various procurement initiatives are underway to mitigate their impact on profit.

Profit in our specialist hygiene business was £0.4 million lower than last year on revenue up 6.1%, reflecting principally weak trading in France.

Rentokil Initial Asia Pacific

£ million	First Quarter		
	2008	**2007**	***change***
At 2007 constant exchange rates:			
Portfolio – net movement (appendix 1)	**2.5**	3.8	[redacted]
Revenue	**44.3**	34.4	*28.8%*
Operating profit (before amortisation of intangible assets[1 and 2])	**6.0**	5.9	*1.7%*

[1] Other than computer software and development costs
[2] After charging additional central costs of £0.1 million in 2008

Revenue from Asia Pacific increased 28.8% year-on-year. The contract portfolio grew at an annualised rate of 7.5%. Operating profit rose 1.7% (3.4% if reallocated central charges are taken into account) but was £1 million below expectations, a result of a disappointing Q1 performance from the Australian residential pest control business and operational challenges experienced in the washroom business in Sydney. In residential pest control, most work is done on a job (i.e. non-contract) basis. Poor weather led to low job sales which reduced profit because the cost base has not yet been made sufficiently flexible to adapt changes to revenue. In washrooms, sales were behind plan and contract terminations higher than expected. Actions are underway to rectify both problems.

Outside Australia, the division grew profit by 55.0% on revenue up 52.0% (15.1% organic). Rentokil Pest Control continues to demonstrate strong revenue growth boosted by the Hong Kong Government pest control contract and strong organic and acquisition growth in New Zealand, Malaysia, Singapore, Thailand and China. Rentokil Taiming (China), while still small, continues to deliver an excellent performance. Initial Textiles & Washroom in Asia has begun the year ahead of 2007, achieving double digit growth in revenue and profit in Hong Kong, Singapore and the Philippines. Our new business in Brunei has performed in line with expectation since its acquisition in 2007.

Other

£ million	First Quarter		
	2008	**2007**	***change***
At 2007 constant exchange rates:			
Portfolio – net movement (appendix 1)	**1.6**	1.1	[redacted]
Revenue	**7.1**	6.5	*9.2%*
Operating profit (before amortisation of intangible assets[1])	**2.7**	2.3	*17.4%*

[1] Other than computer software and development costs

Other businesses comprise the group's activities in South Africa, principally washroom services, pest control and plants. Overall, operating profit rose 17.4% on revenue up 9.2%, a result of new sales and improved retention.

Central Costs

£ million	First Quarter		
	2008	**2007**	***change***
At 2007 constant exchange rates:			
Central costs [1]	**(10.1)**	(10.4)	*2.9%*

[1] After recharging costs of £1.7 million to certain businesses in 2008 (see basis of preparation)

Central costs were £0.3 million lower than the prior year. This is the net effect of two main factors. Costs were reduced by £1.7 million due to the recharge in 2008 of certain IT, shared service and other expenses that were borne centrally in 2007. This benefit was offset by the severance costs (net of provision releases for forfeited long-term incentives) associated with the recent changes in the group's leadership and a higher than normal level of professional fees.

Interest

Net interest payable of £14.7 million was £4.4 million lower than 2007. Lower average net debt, mainly as a result of the disposal proceeds from the sale of Electronic Security last year, accounted for £3.4 million of the reduction. A further £1.4 million year-on-year benefit came from IAS 19 net pension interest and £0.9 million from mark to market related credits. These were partially offset by rate increases of £1.3 million.

Cash Flow and Debt

Operating cash flow was £17.0 million compared with £52.0 million last year. EBITDA was £29.0 million lower at £73.0 million due to lower operating profit in the current year and the absence of profit from the Electronic Security division which has been sold. Higher capex was offset by a lower outflow of working capital than last year. Tax and interest payments were £20.7 million higher than last year, primarily due to the different phasing of payments: annual interest payments of £17.7 million were paid in March 2008 on the euro bonds issued in early 2007. Free cash was therefore an outflow of £29.6 million compared with an inflow of £26.2 million in the first quarter of 2007.

Acquisitions

During the quarter, a net £21.1 million was spent on acquisitions (2007: £59.9 million). The rate of acquisitions has been substantially reduced to allow management to focus on an operational agenda.

Dividends

Our current annual dividend totalling 7.38 pence per share for 2007 is not supportable based on 2008 performance. The board will review the 2008 dividend payout at the time of the interim results in August. The extent of the reduction will depend on group trading (and particularly that of City Link) and prospects for 2009. There is no change to the board's recommended final dividend for 2007.

Appendix 1

ANNUAL CONTRACT PORTFOLIO - CONTINUING BUSINESSES

3 Months to 31 March 2008

£m at constant 2007 exchange rates	1.1.08	New Business	Terminations	Net Additions/ Reductions	Acquisitions / Disposals	31.3.08
Textiles & Washroom Services	578.3	15.6	(13.5)	7.4	(0.3)	587.5
Pest Control	241.4	10.1	(12.6)	2.8	3.2	244.9
Ambius	86.4	1.7	(2.4)	1.3	1.5	88.5
Facilities Services	462.0	13.9	(13.4)	5.0	(0.3)	467.2
Asia Pacific	132.8	5.1	(3.9)	1.0	0.3	135.3
Other	25.7	0.8	(0.9)	1.7	-	27.3
TOTAL	1,526.6	47.2	(46.7)	19.2	4.4	1,550.7

Notes

Contract portfolio definition: Customer contracts are usually either "fixed price", "as-used" (based on volume) or mixed contracts. Contract portfolio is the measure of the annualised value of these customer contracts.

Contract portfolio valuation: The contract portfolio value is typically recorded as the annual value from the customer contract. However, in some cases – especially "as-used" (based on volume) and mixed contracts – estimates are required in order to derive the contract portfolio value. The key points in respect of valuation are:

"As-used" contracts: These are more typical in Textiles and Washroom Services, where elements of the contract are often variable and based on usage. Valuation is based on historic data (where available) or forecast values.

Income annualisation: In some instances, where for example the underlying contract systems cannot value portfolio or there is a significant "as-used" element, the portfolio valuation is calculated using an invoice annualisation method.

Inter-company: The contract portfolio figures include an element of inter-company revenue.

Job work and extras: Many of the contracts within the contract portfolio include ad hoc and/or repeat job work and extras. These values are excluded from the contract portfolio.

Rebates: The contract portfolio value is gross of customer rebates. These are considered as a normal part of trading and are therefore not removed from the portfolio valuation.

New business: Represents new contractual arrangements in the period, which can either be new contracts with an existing customer or with a new customer.

Terminations: Represent the cessation of either a specific existing customer contract or the complete cessation of business with a customer, in the period.

Net additions/reductions: Represents net change to the value of existing customer contracts in the period as a result of changes (either up or down) in volume and/or pricing.

Acquisitions: Represents the valuation of customer contracts obtained from acquisitions made in the period.

Appendix 2

Divisional Analysis (at constant exchange rates)
(based upon the way businesses are managed)

(at 2007 constant exchange rates)	**3 months to 31 March 2008 £m (unaudited & unreviewed)**	3 months to 31 March 2007 £m (unaudited & unreviewed)
Business Analysis		
Revenue		
Textiles & Washroom Services	**151.5**	150.4
Pest Control	**76.7**	65.8
Ambius	**25.6**	24.3
City Link	**95.2**	94.5
Facilities Services	**153.2**	143.2
Asia Pacific	**44.3**	34.4
Other	**7.1**	6.5
Continuing operations at 2007 constant exchange rates	**553.6**	519.1
Exchange	**24.5**	(3.8)
Continuing operations at actual exchange rates	**578.1**	515.3
Operating profit*		
Textiles & Washroom Services	**24.6**	24.2
Pest Control	**11.4**	10.2
Ambius	**0.9**	0.4
City Link	**(16.9)**	9.3
Facilities Services	**8.6**	9.8
Asia Pacific	**6.0**	5.9
Other	**2.7**	2.3
Central costs	**(10.1)**	(10.4)
Continuing operations at 2007 constant exchange rates	**27.2**	51.7
Exchange	**3.9**	(0.9)
Continuing operations at actual exchange rates	**31.1**	50.8
Adjusted operating profit**		
Textiles & Washroom Services	**24.6**	25.2
Pest Control	**11.4**	10.6
Ambius	**0.9**	0.4
City Link	**(15.4)**	10.2
Facilities Services	**8.6**	9.8
Asia Pacific	**6.0**	5.9
Other	**2.7**	2.3
Central costs	**(10.1)**	(10.4)
Continuing operations at 2007 constant exchange rates	**28.7**	54.0
Exchange	**3.9**	(0.9)
Continuing operations at actual exchange rates	**32.6**	53.1

* Before amortisation of intangible assets other than computer software and development costs
** Before amortisation of intangible assets other than computer software and development costs and items of a one-off nature (see appendix 4 for further details).

Appendix 3

Divisional Analysis (at actual exchange rates)
(based upon the way businesses are managed)

(at actual exchange rates)	**3 months to 31 March 2008 £m (unaudited & unreviewed)**	3 months to 31 March 2007 £m (unaudited & unreviewed)
Business Analysis		
Revenue		
Textiles & Washroom Services	**166.0**	148.0
Pest Control	**80.6**	65.5
Ambius	**26.7**	24.4
City Link	**95.2**	94.5
Facilities Services	**155.6**	142.7
Asia Pacific	**47.3**	33.7
Other	**6.7**	6.5
Continuing operations at actual exchange rates	**578.1**	515.3
Operating profit*		
Textiles & Washroom Services	**27.1**	23.7
Pest Control	**12.3**	10.0
Ambius	**1.0**	0.4
City Link	**(16.9)**	9.3
Facilities Services	**8.7**	9.8
Asia Pacific	**6.5**	5.7
Other	**2.5**	2.3
Central costs	**(10.1)**	(10.4)
Continuing operations at actual exchange rates	**31.1**	50.8
Adjusted operating profit**		
Textiles & Washroom Services	**27.1**	24.7
Pest Control	**12.3**	10.4
Ambius	**1.0**	0.4
City Link	**(15.4)**	10.2
Facilities Services	**8.7**	9.8
Asia Pacific	**6.5**	5.7
Other	**2.5**	2.3
Central costs	**(10.1)**	(10.4)
Continuing operations at actual exchange rates	**32.6**	53.1

* Before amortisation of intangible assets other than computer software and development costs.
** Before amortisation of intangible assets other than computer software and development costs and items of a one-off nature (see appendix 4 for further details).

Appendix 4

One-off Items

	3 months to 31 March 2008 £m (unaudited & unreviewed)	3 months to 31 March 2007 £m (unaudited & unreviewed)
Textiles & Washroom Services	**-**	(1.0)
Pest Control	**-**	(0.4)
Ambius	**-**	-
City Link	**(1.5)**	(0.9)
Facilities Services	**-**	-
Asia Pacific	**-**	-
Other	**-**	-
Central costs	**-**	-
	(1.5)	(2.3)

Note: All numbers at both actual and constant exchange rates.

One-off costs relate to the group's restructuring programme and consist of consultancy, redundancy and reorganisation costs and City Link integration costs. They have been separately identified as they are not considered to be "business as usual" expenses and have a varying impact on different businesses and reporting periods.