Rentokil Initial

RENTOKIL INITIAL PLC (RTO)
TRADING UPDATE FOR FIRST QUARTER ENDED 31 MARCH 2011

6 May 2011

Results (£m)	**Q1 2011 AER**	**Growth AER**	**Growth CER**
Revenue	**609.7**	**0.4%**	**0.7%**
Adjusted operating profit[1]	**37.2**	**(12.9%)**	**(13.1%)**
Adjusted profit before tax[1]	**27.4**	**(9.9%)**	**(10.1%)**
Profit before tax	**5.4**	**(66.3%)**	**(69.5%)**
Operating cash flow[2]	**(7.7)**	**N/A**	**N/A**

Q1 Highlights (at CER)

- Group revenue up 0.7% in challenging trading conditions:
  - Encouraging growth in net portfolio +1.7%, driven by further improvement in retention to 84.1%
  - Textiles & Hygiene +2.0%, Pest Control (excluding Libya) +1.1%, Asia Pacific +3.0%, City Link -13.4%, Facilities Services +13.2%
  - Significant improvements in Textiles & Hygiene division's retention and portfolio net gain; Benelux stable and performing in line with turnaround plan
  - City Link revenue adversely affected by challenging market conditions and loss of business in 2010. However, real progress made in addressing operational weakness during Q1 which has contributed to an encouraging new business pipeline
- Adjusted profit before tax down 10.1% (or £3.0m) of which £6.3m City Link and £2.9m Textiles & Hygiene Benelux; gains of £6.2m elsewhere
- One-off costs of £10.3m of which £4.8m relates to suspension of operations in Libya
- Cash flow – negatively impacted in Q1 by very strong performance in Q4 2010; stronger cash flow performance anticipated in H2

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

"The Pest Control and Textiles & Hygiene businesses are performing solidly in generally tough market conditions. The Textiles & Hygiene business in the Benelux has stabilised and is trading in line with internal expectations. Asia Pacific is performing well with portfolio growth in Asia 7.9% ahead of Q1 2010. Facilities Services had a strong quarter, benefiting from both acquisitive and organic growth in manned guarding as well as operational improvement.

"The UK parcels market was particularly challenging during Q1. City Link will continue to deliver poor financial performance in Q2, but I anticipate an improvement in Q3 based on strong operational progress since February, plus major improvements in information technology and customer care. Together, these are driving a differentiated position for City Link in the UK market. This has resulted in a promising new business pipeline which is anticipated to come on stream in late Q2 and early Q3."

AER – actual exchange rates; CER – constant 2010 exchange rates
[1] before amortisation and impairment of intangibles (excluding computer software) and one-off items
[2] cash flow before interest, tax, acquisitions, disposals and foreign exchange adjustments

Financial Summary

£million	First Quarter		
	2011	**2010**	***change***
Continuing Operations[1]			
At 2010 constant exchange rates[2]			
Revenue	**606.7**	602.3	*0.7%*
Adjusted operating profit[3]	**36.4**	41.9	*(13.1%)*
One-off items[4]	**(10.3)**	(0.6)	*N/A*
Amortisation and impairment of intangible assets	**(11.7)**	(13.9)	*15.8%*
Operating profit	**14.4**	27.4	*(47.4%)*
Share of profit from associates (net of tax)	**1.1**	1.0	*10.0%*
Net interest payable	**(10.9)**	(13.3)	*18.0%*
Profit before tax	**4.6**	15.1	*(69.5%)*
Adjusted profit before tax[3]	**26.6**	29.6	*(10.1%)*
Operating cash flow[5]	**(8.7)**	28.1	*N/A*
Continuing Operations[1]			
At actual exchange rates			
Revenue	**609.7**	607.3	*0.4%*
Adjusted operating profit[3]	**37.2**	42.7	*(12.9%)*
One-off items[4]	**(10.3)**	(0.6)	*N/A*
Amortisation and impairment of intangible assets	**(11.7)**	(13.8)	*15.2%*
Operating profit	**15.2**	28.3	*(46.3%)*
Share of profit from associates (net of tax)	**1.1**	1.0	*10.0%*
Net interest payable	**(10.9)**	(13.3)	*18.0%*
Profit before tax	**5.4**	16.0	*(66.3%)*
Adjusted profit before tax[3]	**27.4**	30.4	*(9.9%)*
Operating cash flow[5]	**(7.7)**	28.7	*N/A*

[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 2010. £/$ average rates: Q1 2011 1.5985; Q1 2010 1.5647; FY 2010 1.5486, £/€ average rates: Q1 2011 1.1618; Q1 2010 1.1307; FY 2010 1.1659
[3] before amortisation and impairment of intangibles (excluding computer software) and one-off items
[4] see Appendix 4 for further details
[5] cash flow before interest, tax, acquisitions, disposals and foreign exchange adjustments

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. Forward-looking statements speak only as of the date they are made and no representation or warranty, whether expressed or implied, is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. Other than in accordance with the Company's legal or regulatory obligations (including under the Listing Rules and the Disclosure and Transparency Rules), the Company does not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise. Information contained in this announcement relating to the Company or its share price, or the yield on its shares, should not be relied upon as an indicator of future performance. Nothing in this announcement should be construed as a profit forecast.

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A conference call for analysts and shareholders will be held today at 09.15am. To join this call, please dial +44 (0) 20 7806 1951 (UK), +33 (0) 1 70 99 42 96 (France), +852 3002 1355 (Hong Kong), and +1 212 444 0412 (US) quoting reference code 2070814. A recording of the call will be available for 14 days on the following numbers: UK: +44 (0) 20 7111 1244, France: +33 (0) 1 74 20 28 00, Hong Kong: +852 3011 4669 and US: +1 347 366 9565 quoting access code 2070814#.

Basis of preparation

Segmental information has been presented in accordance with IFRS 8 “Operating Segments” which the group has implemented with effect from 1 January 2009. This statement reflects internal organisation changes made on 1 January 2011 with our Scandinavian and Iberian Textiles & Hygiene units and some small Pest units transferring from the Textiles & Hygiene division to the Pest Control division. The segmental information also reflects changes made on 1 January 2010 resulting in the UK Washrooms and Ireland Healthcare businesses moving from Facilities Services to Textiles & Hygiene and also the changes made on 1 July 2010 resulting in these same businesses moving from Textiles & Hygiene to Pest Control and the transfer of the UK Shared Service Centre from Facilities Services to Central Costs on 1 November 2010. Prior year comparisons have been restated. In all cases references to operating profit are for continuing businesses before amortisation and impairment of intangible assets (excluding computer software). References to adjusted operating profit and adjusted profit before tax also exclude items of a one-off nature, totalling a net cost of £10.3m (2010: £0.6m) that have had a significant impact on the results of the group. £5.5m of these relate directly to the group’s major reorganisation program and consists mainly of redundancy costs, consultancy and plant and office closure costs net of the profit on sale of certain properties. £4.8m specifically relates to a provision against our full financial exposure arising from the suspension of our Libyan business. Details of one-off items incurred in the period, for which adjustments have been made, are set out in Appendix 4. All comparisons in commentaries are at constant 2010 full year average exchange rates unless otherwise stated.

DIVISIONAL PERFORMANCE

Textiles & Hygiene

£ million	**First Quarter**		
	2011	**2010**	***change***
At 2010 constant exchange rates:			
Revenue	**189.9**	186.1	*2.0%*
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**23.7**	26.6	*(10.9%)*
At actual exchange rates:			
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**23.8**	27.4	*(13.1%)*

[1] *excluding computer software*

Revenue grew by 2.0%, an organic increase of 1.5% after adjusting for the acquisition of the Swedish dental reclamation business in 2010. Strong performances were recorded in Germany (up 5.8%), in the Medical business (up 15.1%) and in Specialist Hygiene (up 10.2%). France achieved revenue growth of 0.4% in difficult market conditions through strong customer retention. Divisional performance was, however, held back principally by Benelux with revenue down 2.7% due to prior year contract losses. Divisional retention rose 1.0% on Q4 2010 to 87.3%, with terminations 25.9% below this time last year.

Profit fell 10.9%, an organic decline of 12.4% after adjusting for acquisitions, again held back by Benelux. This business, under new management since the beginning of the year, is now stable and performing in line with the turnaround plan. Excluding Benelux, underlying profit was in line with the prior year.

Pest Control

£ million	**First Quarter**		
	2011	**2010**	***change***
At 2010 constant exchange rates:			
Revenue	**132.8**	136.3	*(2.6%)*
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**19.1**	19.1	-
At actual exchange rates:			
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**19.3**	19.3	-

[1] *excluding computer software*

Pest Control divisional revenue fell by 2.6%, impacted by weak performances in the UK and Spanish washroom businesses and the suspension of operations in Libya during the quarter. Excluding Libya, and washroom businesses, growth from pest control activities was 2.3%. In the UK, pest control continues to improve, growing by 5.1% and although revenue in the UK & Ireland washroom business fell, its rate of decline has slowed to 6.6% compared to 12.3% in Q1 2010. Revenue in Europe increased by 0.6%, North America and South Africa grew by 4.0% and 4.6% respectively, with East Africa and the Caribbean (EAC) growing by 8.3%.

Profit was flat year on year with growth in UK and South African pest control offset by declines in the UK and Spanish washroom businesses. Excluding Libya and washroom businesses, profits from pest control activities were up 3.6%. As noted above, we have suspended our operations in Libya and taken a £4.8m provision against our full financial exposure. This has been taken as a one-off item.

Asia Pacific

£ million	**First Quarter**		
	2011	**2010**	***change***
At 2010 constant exchange rates:			
Revenue	**55.3**	53.7	*3.0%*
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**7.6**	7.4	*2.7%*
At actual exchange rates:			
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**8.1**	7.2	*12.5%*

[1] *excluding computer software*

Asia Pacific revenue increased by 3.0% reflecting portfolio growth achieved in H2 2010. Asia grew by 5.3% (versus a FY 1.4% increase last year), driven by improved sales capability. The Pacific region reversed prior year declines, growing by 1.8%. In Asia growth in Indonesia (up 14.4%) and Thailand (up 2.3%) was supported by Malaysia (up 5.6%) and Korea (up 6.7%), reflecting traction in sales & marketing and other growth initiatives. The emerging businesses of Vietnam, India, China and Brunei delivered strong growth of 51.0%, 24.8%, 24.6% and 8.9%, with ongoing investment in capability to maintain momentum. In the Pacific, New Zealand and Fiji performed well (up 4.9% and 11.9%) and Australia Pest grew by 3.4%, aided in part by a rodent plague, with contract business performing well.

Good cost control in administration and overheads delivered profit growth of 2.7%. Gross margins were stable with pricing and productivity improvements off-setting inflationary impacts.

Ambius

£ million	**First Quarter**		
	2011	**2010**	***change***
At 2010 constant exchange rates:			
Revenue	**26.7**	27.2	*(1.8%)*
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**0.5**	0.9	*(44.4%)*
At actual exchange rates:			
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**0.5**	0.9	*(44.4%)*

[1] *excluding computer software*

Ambius' portfolio moved into small positive growth in Q1, due to a 6.3% improvement in gross sales and a 6.0% improvement in terminations over the prior year. While these are encouraging trends, they could not compensate for the portfolio erosion during 2010 and revenue in the quarter was therefore down 1.8%. North America demonstrated the strongest improvement in gross sales over prior year with an increase of 10.6%, with Europe also encouraging at 2.5%. Job revenue remains in line with Q1 2010 in all regions.

Profit declined by 44.4% reflecting changes in the business mix and cost pressures.

City Link

£ million	First Quarter		
	2011	2010	*change*
At 2010 constant exchange rates:			
Revenue	**72.3**	83.5	*(13.4%)*
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**(10.7)**	(4.4)	*(143.2%)*
At actual exchange rates:			
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**(10.7)**	(4.4)	*(143.2%)*

[1] *excluding computer software*

City Link's operating loss for Q1 of £10.7m is £6.3m worse than the corresponding loss in 2010 on a £11.2m (13.4%) reduction in revenue.

The operation was impacted by lower customer volumes in Q1 and by additional costs incurred in January in order to recover from the heavy snow conditions in late December. Parcel volumes were down 10% on the prior year as a result of customer losses in 2010 and a weaker economic climate. Customer retention in Q1 was good and the pipeline of new business opportunities is promising. The UK parcels industry continues to be extremely competitive into 2011 with price cutting a continuing market dynamic and our revenue per consignment declined by 3.5%.

Service levels in Q1 were generally above 99%, apart from in January, when service levels were impacted following the period of heavy snow in the run up to Christmas.

Strong progress has been made in addressing the operational weakness that impacted the 2010 results. A detailed operating plan for all parts of the business has been established to address the operating cost base, customer care agenda and IT. The usage of subcontractors is decreasing with further decreases planned for Q2, and a detailed contingency plan to deal with extreme conditions is being communicated to major customers. The business is well placed to deliver the planned operating improvements ahead of the peak Christmas trading period.

Initial Facilities Services

£ million	First Quarter		
	2011	2010	*change*
At 2010 constant exchange rates:			
Revenue	**146.9**	129.8	*13.2%*
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**6.2**	4.5	*37.8%*
At actual exchange rates:			
Adjusted operating profit (before amortisation and impairment of intangible assets[1] and one-off items)	**6.2**	4.5	*37.8%*

[1] *excluding computer software*

While the market remains challenging, Initial Facilities performed very well in Q1 with strong revenue and profit delivery. Revenue grew 13.2%, assisted by the contributions from the acquisitions of Knightsbridge Guarding in 2010 and the fire and water businesses of Connaught (Santia) in early 2011. Underlying revenue, excluding acquisitions, grew by 3.9%.

Ongoing margin improvement, operational efficiency and cost reductions have helped contribute to a strong increase in profitability, delivering growth of 37.8%, 24.9% excluding acquisitions. While the outlook for the remainder of 2011 continues to be uncertain, the division is well placed, with several new contracts coming on stream in Q2.

Central Costs

£ million	First Quarter		
	2011	2010	*change*
At 2010 constant exchange rates:			
Central costs	**(10.0)**	(12.2)	*18.0%*
At actual exchange rates:			
Central costs	**(10.0)**	(12.2)	*18.0%*

Q1 central costs of £10.0m benefited from lower incentive costs in Q1 compared to the prior year.

One-off items including reorganisation costs

Net one-off costs in Q1 amounted to £10.3m (2010: £0.6m). £5.5m of these related directly to the group's major reorganisation programme, including Olympic, and consisted mainly of redundancy costs, consultancy and plant and office closure costs net of the profit on sale of certain properties. £4.8m specifically related to a provision against our full financial exposure arising from the suspension of our Libyan pest control business. These costs 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. Details of one-off items incurred in the period, for which adjustments have been made, are set out in Appendix 4.

Interest

Net interest payable was £10.9m at actual rates compared to £13.3m in the prior year. The underlying interest charge (excluding pensions and foreign exchange) was £12.1m compared to £13.4m in the prior year. The underlying interest charge reduced by £0.9m due to lower average net debt and by £0.4m due to lower interest rates. Net interest payable benefited from £1.0m of pension interest income in the current year compared to £nil in the prior year.

Net debt and cash flow

£ million at actual exchange rates	Year to Date		
	2011 Q1	2010 Q1	*Change*
Adjusted operating profit[1]	**37.2**	42.7	*(5.5)*
One-off items	**(10.3)**	(0.6)	*(9.7)*
Depreciation	**50.0**	52.2	*(2.2)*
Other non-cash	**0.5**	1.5	*(1.0)*
EBITDA	**77.4**	95.8	*(18.4)*
Working capital	**(36.0)**	(25.7)	*(10.3)*
Capex - additions	**(50.0)**	(43.6)	*(6.4)*
Capex - disposals	**0.9**	2.2	*(1.3)*
Operating cash flow	**(7.7)**	28.7	*(36.4)*
Interest	**(37.7)**	(37.2)	*(0.5)*
Tax	**(10.3)**	(7.6)	*(2.7)*
Free cash flow	**(55.7)**	(16.1)	*(39.6)*
Acquisitions/disposals	**(7.0)**	0.1	*(7.1)*
Foreign exchange translation and other items	**13.5**	27.6	*(14.1)*
Decrease in net debt	**(49.2)**	11.6	*(60.8)*
Closing net debt	**(1,002.8)**	(1,096.5)	*93.7*

[1] *excluding computer software*

Operating cash flow was low in Q1 at £(7.7)m primarily due to the phasing of cash collections at the end of 2010 in the Facilities Services division (£19m impact), lower profitability and higher capex.

Tax and interest were largely in line with the prior year and the acquisition/disposal outflow of £7.0m largely reflects the Santia (Connaught) acquisition. Foreign exchange translation gains and other items improved cash flow by £13.5m leaving an overall outflow of £49.2m and net debt of £1,002.8m.

Appendix 1

ANNUAL CONTRACT PORTFOLIO - CONTINUING BUSINESSES

3 months to 31 March 2011

£m at constant 2010 exchange rates	1.1.11	New Business / Additions	Terminations/ Reductions	Net Price Increases	Acquisitions /(Disposals)	31.3.11	31.3.11 at actual exchange
Textiles & Hygiene	649.4	24.9	(22.4)	5.9	(0.7)	657.1	660.1
Pest Control	444.6	16.1	(17.2)	3.9	3.7	451.1	450.2
Asia Pacific	175.2	8.7	(6.9)	0.5	-	177.5	185.2
Ambius	94.5	3.1	(3.7)	0.7	-	94.6	94.1
Facilities Services	522.2	24.9	(24.4)	1.7	-	524.4	524.5
TOTAL	1,885.9	77.7	(74.6)	12.7	3.0	1,904.7	1,914.1

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 & Hygiene and Catering, 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/Additions: Represents new contractual arrangements in the period with a new or existing customer and additional business added to existing contracts.

Terminations/Reductions: Represent the cessation or reduction in value of an existing customer contract or the complete cessation of business with a customer.

Net Price Increases: Represents the net change in portfolio value as a result of price increases and decreases.

Acquisitions/Disposals: Represents the net value of customer contracts added or lost as a result of businesses acquired or disposed in the period. Also includes the net volume related changes for the Textiles businesses, where it is common practice for customers to increase or decrease service volumes according to their daily operational requirements.

Retention rates: The Textiles & Hygiene and group portfolio movements of additions and reductions have been restated in 2010 to net off Textile customer temporary service volume related changes which were previously reported gross as either additions or reductions to the portfolio. The calculated retention and gross sales rates have been restated accordingly.

Divisional Analysis (at constant exchange rates)

	3 months to 31 March 2011 £m	3 months to 31 March 2010 £m
(at 2010 constant exchange rates)		
Revenue		
Textiles & Hygiene	**189.9**	186.1
Pest Control	**132.8**	136.3
Asia Pacific	**55.3**	53.7
Ambius	**26.7**	27.2
City Link	**72.3**	83.5
Facilities Services	**146.9**	129.8
Segmental revenue	**623.9**	616.6
Inter group trading	**(17.2)**	(14.3)
At constant exchange rates	**606.7**	602.3
Exchange	**3.0**	5.0
At actual exchange rates	**609.7**	607.3

	3 months to 31 March 2011 £m	3 months to 31 March 2010 £m
Adjusted operating profit		
Textiles & Hygiene	**23.7**	26.6
Pest Control	**19.1**	19.1
Asia Pacific	**7.6**	7.4
Ambius	**0.5**	0.9
City Link	**(10.7)**	(4.4)
Facilities Services	**6.2**	4.5
Central Costs	**(10.0)**	(12.2)
Segmental profit	**36.4**	41.9
One-off items (Appendix 4)	**(10.3)**	(0.6)
Amortisation of intangible assets[1]	**(11.7)**	(13.9)
At constant exchange rates	**14.4**	27.4
Exchange	**0.8**	0.9
At actual exchange rates	**15.2**	28.3

[1] *excluding computer software*

Revenue growth (at CER)

	First Quarter	
	Total	**Organic**[1]
Textiles & Hygiene	**2.0%**	**1.5%**
Pest Control	**(2.6%)**	**(0.8%)**
Asia Pacific	**3.0%**	**3.0%**
Ambius	**(1.8%)**	**(2.3%)**
City Link	**(13.4%)**	**(13.4%)**
Facilities Services	**13.2%**	**3.9%**
Group	**0.7%**	**(1.0%)**

[1] *organic revenue growth excludes the effect of acquisitions and disposals*

Divisional Analysis (at actual exchange rates)

	3 months to 31 March 2011 £m	3 months to 31 March 2010 £m
(at actual exchange rates)		
Revenue		
Textiles & Hygiene	**190.8**	191.4
Pest Control	**132.6**	137.1
Asia Pacific	**57.9**	52.1
Ambius	**26.5**	27.3
City Link	**72.3**	83.5
Facilities Services	**146.9**	130.2
Segmental revenue	**627.0**	621.6
Inter group trading	**(17.3)**	(14.3)
At actual exchange rates	**609.7**	607.3
Adjusted operating profit		
Textiles & Hygiene	**23.8**	27.4
Pest Control	**19.3**	19.3
Asia Pacific	**8.1**	7.2
Ambius	**0.5**	0.9
City Link	**(10.7)**	(4.4)
Facilities Services	**6.2**	4.5
Central Costs	**(10.0)**	(12.2)
Segmental profit	**37.2**	42.7
One-off items (Appendix 4)	**(10.3)**	(0.6)
Amortisation of intangible assets[1]	**(11.7)**	(13.8)
At actual exchange rates	**15.2**	28.3

[1] *excluding computer software*

One-off items including reorganisation costs

	3 months to 31 March 2011 £m	3 months to 31 March 2010 £m
Textiles & Hygiene	**(1.1)**	(0.2)
Pest Control	**(5.5)**	-
City Link	**(1.6)**	(0.4)
Facilities Services	**(1.2)**	-
Central Costs	**(0.9)**	-
At constant exchange rates	**(10.3)**	(0.6)
Exchange	**-**	-
At actual exchange rates	**(10.3)**	(0.6)

Net one-off costs in Q1 amounted to £10.3m (2010: £0.6m). £5.5m of these relate directly to the group's major reorganisation program, including Olympic, and consists mainly of redundancy costs, consultancy and plant and office closure costs net of the profit on sale of certain properties. £4.8m specifically relates to a provision against our full financial exposure arising from the suspension of our Libyan pest control business. These costs 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.