Rentokil Initial

RENTOKIL INITIAL PLC (RTO)
FIRST QUARTER TRADING UPDATE FOR 3 MONTHS ENDED 31 MARCH 2010

Results	**Q1 2010 AER £m**	**Growth vs. Q1 2009** AER	CER
Revenue	**607.3**	(4.3%)	(3.7%)
Operating profit[1]	**42.1**	46.7%	44.9%
Adjusted profit before tax[2]	**30.4**	40.7%	37.9%
Operating cash flow[3]	**28.7**	(50.2%)	(51.5%)

AER – actual exchange rates; CER – constant 2009 exchange rates
[1] before amortisation and impairment of intangibles
[2] before amortisation and impairment of intangibles and one-off items
[3] cash flow before interest, tax, acquisitions, disposals and foreign exchange adjustments.

2010 First Quarter Highlights

Further progress against five key strategic thrusts:

- **Service** – strong state of service maintained in Q1; improved retention in Pest Control, Asia Pacific, City Link and Ambius; focus now on customer care
- **Capability** – progress on all fronts; growth pilots at an early stage of development
- **Operational excellence** – further improvements in all turnaround businesses, in particular UK Pest:
  - 100% state of service
  - 21% profit growth on revenue up 2.5%
  - 66% increase in contract sales
- **Cost and cash** – cost savings on track leading to 41% increase in adjusted profit before tax[2] despite City Link being adversely affected by high sub-contractor costs; cash flow ahead of plan but down against exceptional Q1 2009
- **Growth** – revenue broadly in line with plan; we continue to target modest growth for the group for 2010

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

"We have achieved 41% profit growth against an admittedly modest prior year quarter. I am encouraged by improving customer retention rates in most Divisions and by the ongoing improvements in our turnaround businesses, UK Pest in particular. Service levels continue to be strong. Customer care is improving although there is still much to do.

"We remain focused on our growth agenda and our pilot studies are now underway. I will give an update on progress in the second half. We expect revenue to improve as the year progresses and for continued profit development."

Enquiries

Shareholder/analyst enquiries:

Katharine Rycroft, Head of Investor Relations	Rentokil Initial plc	01293 858 166 07811 270 734

Media enquiries:

Malcolm Padley, Head of Corporate Communications	Rentokil Initial plc	01293 858 165
Kate Holgate / Wendel Verbeek	Brunswick Group	020 7404 5959

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 43 04 (France), +852 3002 1355 (Hong Kong), and +1 212 444 0412 (US) quoting reference code 8994845. 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 8994845#.

Financial Summary

£million	First Quarter 2010	First Quarter 2009	*change*
Pro forma Continuing Operations[1]			
At 2009 constant exchange rates[2]			
Revenue	**603.2**	626.7	*(3.7%)*
Operating profit before amortisation and impairment of intangible assets[3] and one-off items[4]	**41.9**	32.3	*29.7%*
One-off items[4]	**(0.6)**	(3.8)	*84.2%*
Operating profit before amortisation and impairment of intangible assets[3]	**41.3**	28.5	*44.9%*
Amortisation and impairment of intangible assets[3]	**(13.4)**	(14.6)	*8.2%*
Operating profit	**27.9**	13.9	*100.7%*
Share of profit from associates (net of tax)	**1.0**	1.0	-
Net interest payable	**(13.4)**	(11.9)	*(12.6%)*
Profit before income tax	**15.5**	3.0	*416.7%*
Adjusted profit before income tax[5]	**29.5**	21.4	*37.9%*
Operating cash flow[6]	**27.8**	57.3	*(51.5%)*
Continuing operations[1]			
At actual exchange rates			
Revenue	**607.3**	634.6	*(4.3%)*
Operating profit before amortisation and impairment of intangible assets[3] and one-off items[4]	**42.7**	32.5	*31.4%*
One-off items[4]	**(0.6)**	(3.8)	*84.2%*
Operating profit before amortisation and impairment of intangible assets[3]	**42.1**	28.7	*46.7%*
Amortisation and impairment of intangible assets[3]	**(13.8)**	(14.8)	*6.8%*
Operating profit	**28.3**	13.9	*103.6%*
Share of profit from associates (net of tax)	**1.0**	1.0	-
Net interest payable	**(13.3)**	(11.9)	*(11.8%)*
Profit before income tax	**16.0**	3.0	*433.3%*
Adjusted profit before income tax[5]	**30.4**	21.6	*40.7%*
Operating cash flow[6]	**28.7**	57.6	*(50.2%)*

[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 2009. £/$ average rates: Q1 2010 1.5647; Q1 2009 1.4421; FY 2009 1.5620. £/€ average rates: Q1 2010 1.1307; Q1 2009 1.0952; FY 2009 1.1196.
[3]Other than computer software.
[4]See Appendix 4 for further details.
[5]Before amortisation and impairment of intangible assets and one-off items.
[6]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.

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 also reflects internal organisation changes made on 1 January 2010 resulting in the UK Washrooms and Ireland Healthcare businesses moving from Facilities Services to Textiles and Washroom Services. Prior year comparisons have been restated. In all cases references to operating profit are for continuing businesses before amortisation and impairment of intangible assets (other than computer software). References to adjusted operating profit and adjusted profit before income tax also exclude items of a one-off nature, totalling a net cost of £0.6 million (2009: £3.8 million) that have had a significant impact on the results of the group. They relate directly to the group's various performance improvement initiatives and consist mainly of redundancy and other reorganisation costs including consultancy, plant and office closure costs net of the profit on sale of certain properties, profit or loss on disposal of businesses not classified as discontinued and acquisition integration costs. They have been separately identified as they represent an investment in the future performance of the group and 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. All comparisons are at constant 2009 full year average exchange rates.

QUARTERLY REVIEW

Q1 revenue of £603.2m declined by 3.7% on 2009 with Facilities Services, Asia Pacific, Textiles and Washrooms and Ambius all below last year. These divisions continue to be impacted by challenging market conditions across their countries of operation. Revenue growth in Asia Pacific was held back by the disposal of the Electronic Security business at the end of 2009, withdrawal from a large unprofitable contract with the Hong Kong government and a number of legacy issues including lower government sales in China and a 2009 downturn in fumigation work in Malaysia, the Philippines and Singapore. In contrast Pest Control grew revenue by 2.0% as a result of strong performances from North America, the Caribbean and the UK.

Group operating profit (before amortisation and impairment of intangible assets) increased by 44.9% to £41.3m and adjusted operating profit (again before amortisation and impairment of intangible assets) amounted to £41.9m, an increase of 29.7% on the prior year. Adjusted profit before tax, amortisation and one-off items grew by 37.9% to £29.5m.

The group's restructuring programmes in City Link and Textiles and Washrooms are proceeding to plan. In addition we are introducing shared service centres for back-office processing in the Benelux, Germany, Spain and the Nordics. Total restructuring costs in 2010 (including the impairment of the Wednesbury hub currently estimated to amount to some £10m) are expected to be in the region of £20m for the year.

Operating cash flow at £28.7m (at actual exchange rates) was ahead of plan and includes expenditure against restructuring provisions made in previous years and was behind 2009 which benefited from relatively high receivables balances at the end of 2008. Full year restructuring cash flows are expected to be in the region of £50m as indicated in the year end results in February.

DIVISIONAL PERFORMANCE

Textiles and Washroom Services

£ million	**First Quarter**		
	2010	**2009**	***Change***
At 2009 constant exchange rates:			
Revenue	**226.8**	231.9	*(2.2%)*
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**30.7**	25.4	*20.9%*
At actual exchange rates:			
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**30.5**	25.9	*17.8%*

[1] Other than computer software

Revenue declined 2.2% on the prior year, impacted by difficult trading conditions in the UK (down 12.3%) and competitive pressure, particularly pricing, in the Benelux (down 3.5%) This was partially offset by modest growth in France of 1.1%. Reduced demand from third parties adversely affected our UK washrooms manufacturing business.

Customer retention declined from 74.9% to 71.5% year on year primarily due to a major contract loss in France in the quarter.

Adjusted operating profit of £30.7m increased by £5.3 million on the prior year, of which £3.5 million was due to unusual items in Q1 2009 associated with re-organisation costs. Profit from France and the UK was strongly ahead of the prior year but was offset by profit decline in the Benelux (reflecting tough trading conditions together with temporary disruption caused by the closure of two textiles and one hospital services plant at the end of 2009), and the UK manufacturing business.

State of service has remained consistently high during the period at 97.4%.

The reorganisation programme in France, and its associated benefits, is proceeding on schedule and to plan. The plant rationalisation programme in Belgium is running to schedule although implementation costs have been higher than anticipated. A number of other smaller restructuring projects across the Division are progressing well.

Pest Control

£ million	**First Quarter**		
	2010	**2009**	***change***
At 2009 constant exchange rates:			
Revenue	**102.5**	100.5	*2.0%*
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**16.0**	13.8	*15.9%*
At actual exchange rates:			
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**16.2**	13.8	*17.4%*

[1] Other than computer software

Pest Control grew revenue by 2.0%, reflecting strong performances from North America, the Caribbean and the UK. Growth was held back by a weak performance in Europe and lower revenue from the Libyan contract as we move to locally resourced service provision. Excluding Libya revenue rose by 2.7%. Divisional retention improved by 1.6% to 83.7%, the result of a continued focus on customer service. Portfolio grew by 1.3%, 5.2% annualised.

Divisional profit grew by 15.9%, attributable to strong performances in the UK, Europe and also in North America, where the business posted a small profit in a typically loss-making quarter.

Across Europe revenue growth was weak; up 0.4% with jobs down 4.3% year on year. Difficult conditions in southern European operations were slightly offset by more robust conditions in northern Europe including Germany, the Netherlands and Belgium. Profit rose by 19.6%, largely due to improvements in Spain, although most countries showed good profit growth in the quarter.

The UK turnaround continues, with revenue up 2.5% with job work and contract sales up 25% and 66% respectively. Retention at 77.4% represents a 5.2% increase year on year. State of service is currently 100%.

North America grew revenue by 6.3% and delivered a positive profit performance in the quarter, principally due to a 3.1% rise in job sales and record retention at 86.6%, an improvement of 3.9% on the prior year.

The business's three-year contract with the Libyan government remains operationally successful. However we continue to experience delays in payment. Separately we have established a joint venture with a local partner to capitalise on increasing commercial pest control opportunities in the region and it has made a promising start.

Asia Pacific

£ million	**First Quarter**		
	2010	**2009**	***change***
At 2009 constant exchange rates:			
Revenue	**47.2**	53.1	*(11.1%)*
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**6.3**	5.6	*12.5%*
At actual exchange rates:			
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**7.2**	5.2	*38.5%*

[1] Other than computer software

Revenue declined 11.1% year on year, due to the disposal of the Electronic Security business towards the end of last year, the exit of the low-margin Hong Kong government contract, lower government sales in China and a 2009 downturn in fumigation work in Malaysia, the Philippines and Singapore. Adjusted operating profit rose by 12.5%; approximately half of which can be attributed to strong performances in Australian Pest Control and Washrooms. Profit growth in Asia was driven by cost saving initiatives in Malaysia and the Philippines, and a strong performance in Thailand. Retention improved by 5.5% to 83.9%.

Asia

Revenue fell by 13.6%, the result of legacy issues including the exit from the Hong Kong government contract and weaker government business in China. Excluding these, revenue grew by 0.1%. Revenue was also impacted by a severe decline in fumigation and residential jobbing work in Singapore, the Philippines and Malaysia during 2009. This decline was offset by growth in Indonesia, Thailand, Vietnam, India, Korea, Taiwan & Brunei. Retention improved during the quarter, rising from 79.3% in January to 81.8% by quarter end and most businesses achieved portfolio growth year on year.

Profit grew by £0.5m, largely due to cost savings in Malaysia and the Philippines, and a strong performance in Thailand, where we have recently merged the Pest & Washrooms businesses under one leadership team.

Pacific

Revenue declined by 3.0% due to a slower start in residential job work in the Australian Pest business and prior year contract losses in Ambius and Pacific Washrooms. Retention has continued to improve and is being maintained at over 85%.

Profit rose by £0.5m, reflecting tight control on costs.

Ambius

£ million	**First Quarter**		
	2010	**2009**	***Change***
At 2009 constant exchange rates:			
Revenue	**27.1**	30.3	*(10.6%)*
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**0.9**	1.2	*(25.0%)*
At actual exchange rates:			
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**0.9**	1.2	*(25.0%)*

[1] Other than computer software

Ambius continued to experience difficult trading conditions in Q1. Revenue fell 10.6% as a result of portfolio erosion during 2009 and an 11.1% decline in job sales. However, improvements in retention in 2009 have continued into 2010, up from 74.3% in Q1 2009 to 83.5%. Adjusted operating profit fell 25.0%.

North America has again been weak with a 14.0% decline in revenue. However, the economy has stabilised and retention has improved from 77.0% to 83.3% year on year. Job sales declined 25.7%.

Revenue in Europe declined 6.0% with most countries experiencing challenging conditions. Although contract terminations have shown great improvement on the prior year, job sales were flat. Profit grew by 15.4%, reflecting the impact of cost saving initiatives in 2009.

Sales of new brand extension services, including ambient scenting and fresh fruit delivery, have continued to rise during the period and now account for 14.7% of total contract sales, compared to 13.6% last year.

In addition to adjusting service headcount in line with portfolio movement, Ambius continues to look for opportunities to review and reduce its cost base to reflect current economic conditions.

City Link

£ million	First Quarter		
	2010	**2009**	***Change***
At 2009 constant exchange rates:			
Revenue	**83.5**	85.0	*(1.8%)*
Adjusted operating loss (before one-off items and amortisation of intangible assets[1])	**(4.4)**	(6.1)	*27.9%*
At actual exchange rates:			
Adjusted operating loss (before one-off items and amortisation of intangible assets[1])	**(4.4)**	(6.1)	*27.9%*

[1] Other than computer software

City Link's adjusted operating loss of £4.4m is £1.7m better than the corresponding loss in Q1 2009 but was negatively impacted by high sub-contractor costs. Revenue declined by 1.8% but is in line with plan.

Volumes rose 2.2%. However, the market remains extremely competitive and severe price cutting has continued across the industry into Q1. Revenue per consignment (RPC) weakened by 4.0% on the prior year.

City Link's customer base has been broadly stable throughout the first quarter of the year with the majority of its major customers uptrading modestly. Apart from periods of heavy snow, service has remained consistently above our 99% target.

As part of its depot rationalisation programme City Link has closed four depots during Q1 (from 84 at year end to 80) and is on track to migrate from two Hubs to one by the end of the first half. Vehicle fleet numbers have fallen by 3.5% since the end of 2009 and total employee numbers have fallen below 5,300, a 7.6% reduction since December 2009. We are reviewing the balance between employee drivers and sub-contractors given our experience with sub-contractor costs during Q1 and are confident in delivering revenue growth for the year as a whole.

Facilities Services

£ million	First Quarter		
	2010	**2009**	***change***
At 2009 constant exchange rates:			
Revenue	**130.4**	142.3	*(8.4%)*
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**4.4**	4.0	*10.0%*
At actual exchange rates:			
Adjusted operating profit (before one-off items and amortisation of intangible assets[1])	**4.4**	4.1	*7.3%*

[1] Other than computer software

The challenging market conditions experienced by the Facilities Services division in 2009 have continued into the first quarter of 2010. Revenue decreased by 8.4%. Adjusted operating profit increased by 10.0% year on year, the result of actions taken in H2 2009 to restructure and streamline operations and management.

Cleaning revenue fell by 10.6%, of which 4.3% can be attributed to retail contract losses in 2009 as a result of pricing pressure. The benefit of the recent £41m per annum London Underground contract win will take effect in Q2.

Catering revenue was in line with the prior year. An ongoing focus on contract profitability and better food purchasing has had a positive impact on profit, up 47.6% year on year.

Hospital Services revenue fell by 5.9% due to the loss of three large hospital contracts in 2009. Profit declined on lower volumes. We have recently merged Hospitals with the Catering business under a single management team.

In view of continued market challenges and revenue decline, we have embarked on a project to review the structure of the division in order to improve efficiency and position it for future growth.

Central Costs

£ million	First Quarter		
	2010	**2009**	***change***
At 2009 constant exchange rates:			
Central costs	**(12.0)**	(11.6)	*(3.4%)*
At actual exchange rates:			
Central costs	**(12.1)**	(11.6)	*(4.3%)*

Central costs were £0.4m higher than the last year due to investment in Programme Olympic, partly offset by savings elsewhere.

One-Off items

Details of one-off items incurred in the period are set out in Appendix 4. They relate directly to the group's various performance improvement initiatives and consist mainly of redundancy and other reorganisation costs including consultancy, plant and office closure costs net of the profit on sale of certain properties, profit or loss on disposal of businesses not classified as discontinued and acquisition integration costs. They have been separately identified as they represent an investment in the future performance of the group and are not considered to be "business as usual" expenses and have a varying impact on different businesses and reporting periods. In the first of quarter of 2010, these amounted to £0.6m (2009: £3.8m) and represent costs associated with the reorganisation of the Textiles and Washrooms division and the continued integration of the City Link and Target Express businesses.

Interest

Net interest payable of £13.3m for the quarter was £1.4m higher than 2009 due mainly to lower net pension interest receivable and different phasing of interest expense by quarter. We expect interest costs to be broadly similar by quarter and for the year as a whole to be lower than in 2009.

Net debt and cash flow

£ million at actual exchange rates	Year to Date		
	2010 Q1 £m	2009 Q1 £m	*Change £m*
Adjusted profit before amortisation, interest and income tax	**42.7**	32.5	*10.2*
One-off items	**(0.6)**	(3.8)	*3.2*
Depreciation	**52.2**	55.6	*(3.4)*
Other non-cash	**1.5**	1.2	*0.3*
EBITDA	**95.8**	85.5	*10.3*
Working capital	**(25.7)**	21.1	*(46.8)*
Capex - additions	**(43.6)**	(53.3)	*9.7*
Capex - disposals	**2.2**	4.3	*(2.1)*
Operating cash flow	**28.7**	57.6	*(28.9)*
Interest	**(37.2)**	(41.6)	*4.4*
Tax	**(7.6)**	1.3	*(8.9)*
Free cash flow	**(16.1)**	17.3	*(33.4)*
Acquisitions/disposals	**0.1**	(7.6)	*7.7*
FX and fair value adjustments	**27.6**	64.1	*(36.5)*
Decrease in net debt	**11.6**	73.8	*(62.2)*
Closing net debt	**(1,096.5)**	(1,288.4)	*191.9*

Operating cash flow at actual rates of exchange was £28.9m lower than 2009 due to lower working capital inflows partly offset by higher EBITDA and lower net capital expenditure. Inflows from working capital were £46.8m lower than last year due mainly to lower debtor inflows (2009 benefitting from high debtors at the end of 2008) and the spend against restructuring provisions made in 2009. EBITDA was £10.3m higher than last year due mainly to improved trading performance and lower one-off cost. Lower net capital expenditure amounted to £7.6m, mainly in Textiles and Washrooms.

Tax and interest payments (including finance lease interest) were £4.5m higher than last year with 2009 benefitting from tax repayments not repeated in 2010. Free cash was therefore £33.4m lower than last year at £16.1m outflow.

Deferred acquisition and disposal cash flows amounted to £0.1m and foreign exchange gains and fair value adjustments added £27.6m, leaving net debt at £1,096.5m at 31 March 2010.

Appendix 1

ANNUAL CONTRACT PORTFOLIO - CONTINUING BUSINESSES

3 Months to 31 March 2010 (unaudited)

£m at constant 2009 exchange rates	1.1.10	New Business / Additions	Terminations / Reductions	Net Price Increases	Acquisitions /Disposals	31.3.10	31.3.10 at actual exchange
Textiles & Washroom Services	**819.9**	**46.5**	**(58.4)**	**(1.5)**	**-**	**806.5**	**801.4**
Pest Control	**324.6**	**13.3**	**(13.0)**	**3.1**	**0.7**	**328.7**	**331.3**
Asia Pacific	**149.1**	**7.0**	**(6.0)**	**0.5**	**-**	**150.6**	**165.8**
Ambius	**95.8**	**2.9**	**(4.0)**	**0.5**	**-**	**95.2**	**95.8**
Facilities Services	**467.9**	**44.1**	**(14.9)**	**1.3**	**-**	**498.4**	**497.9**
TOTAL	**1,857.3**	**113.8**	**(96.3)**	**3.9**	**0.7**	**1,879.4**	**1,892.2**

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 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 customers 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 increase 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.

Retention rates: Retention rates are calculated on total terminations (terminations and reductions).

Appendix 2

Divisional Analysis (at constant exchange rates)

(at 2009 constant exchange rates)	**3 months to 31 March 2010 £m (unaudited)**	3 months to 31 March 2009 £m (unaudited)
Business Analysis		
Revenue		
Textiles & Washroom Services	**226.8**	231.9
Pest Control	**102.5**	100.5
Asia Pacific	**47.2**	53.1
Ambius	**27.1**	30.3
City Link	**83.5**	85.0
Facilities Services	**130.4**	142.3
Segmental revenue	**617.5**	643.1
Inter group trading	**(14.3)**	(16.4)
Continuing operations at constant exchange rates	**603.2**	626.7
Exchange	**4.1**	7.9
Continuing operations at actual exchange rates	**607.3**	634.6
Adjusted operating profit		
Textiles & Washroom Services	**30.7**	25.4
Pest Control	**16.0**	13.8
Asia Pacific	**6.3**	5.6
Ambius	**0.9**	1.2
City Link	**(4.4)**	(6.1)
Facilities Services	**4.4**	4.0
Central Costs	**(12.0)**	(11.6)
Segmental profit	**41.9**	32.3
One-off items (Appendix 4)	**(0.6)**	(3.8)
Amortisation of intangible assets*	**(13.4)**	(14.6)
Continuing operations at constant exchange rates	**27.9**	13.9
Exchange	**0.4**	-
Continuing operations at actual exchange rates	**28.3**	13.9

* Other than computer software

Appendix 3

Divisional Analysis (at actual exchange rates)

(at 2009 actual exchange rates)	**3 months to 31 March 2010 £m (unaudited)**	3 months to 31 March 2009 £m (unaudited)
Business Analysis		
Revenue		
Textiles & Washroom Services	**225.4**	236.2
Pest Control	**103.1**	103.3
Asia Pacific	**52.1**	52.1
Ambius	**27.3**	31.7
City Link	**83.5**	85.0
Facilities Services	**130.2**	142.6
Segmental revenue	**621.6**	650.9
Inter group trading	**(14.3)**	(16.3)
Continuing operations at actual exchange rates	**607.3**	634.6
Adjusted operating profit		
Textiles & Washroom Services	**30.5**	25.9
Pest Control	**16.2**	13.8
Asia Pacific	**7.2**	5.2
Ambius	**0.9**	1.2
City Link	**(4.4)**	(6.1)
Facilities Services	**4.4**	4.1
Central Costs	**(12.1)**	(11.6)
Segmental profit	**42.7**	32.5
One-off items (Appendix 4)	**(0.6)**	(3.8)
Amortisation of intangible assets*	**(13.8)**	(14.8)
Continuing operations at actual exchange rates	**28.3**	13.9

* Other than computer software

Appendix 4

One-off Items

	3 months to 31 March 2010 £m (unaudited)	3 months to 31 March 2009 £m (unaudited)
Textiles & Washroom Services	**(0.2)**	-
Pest Control	**-**	-
Asia Pacific	**-**	-
Ambius	**-**	-
City Link	**(0.4)**	(0.8)
Facilities Services	**-**	-
Central Costs	**-**	(3.0)
At constant exchange rates	**(0.6)**	(3.8)
Exchange	**-**	-
At actual exchange rates	**(0.6)**	(3.8)

One-off items relate directly to the group's various performance improvement initiatives and consist mainly of redundancy and other reorganisation costs including consultancy, plant and office closure costs net of the profit on sale of certain properties, profit or loss on disposal of businesses not classified as discontinued and acquisition integration costs. They have been separately identified as they represent an investment in the future performance of the group and are not considered to be "business as usual" expenses and have a varying impact on different businesses and reporting periods. All comparisons are at constant 2009 full year average exchange rates