

Robert— —Walters

15 April 2025

Trading update for the first quarter ended 31 March 2025

***Challenging conditions persist; visibility limited by recent increased macroeconomic uncertainty
Continued focus on executing strategic plan***

Q1	2025	2024	% change	% change (constant currency*)
Net fee income	£m	£m		
Group	67.3	81.3	(17%)	(16%)
Asia Pacific	27.4	32.9	(16%)	(15%)
Europe	21.9	28.7	(24%)	(22%)
UK	12.6	13.1	(4%)	n/a
Rest of World	5.4	6.6	(19%)	(18%)

*Unless stated otherwise, all net fee income growth rates are versus 2024 and in constant currencies. Constant currency is calculated by applying prior period average exchange rates to local currency results for the current and prior years.

Group summary

- Group net fee income down 16%*. Whilst forward activity levels remained broadly stable in Asia-Pacific and the UK, the weaker sentiment seen in Europe towards the latter stages of 2024 continued into the first quarter.
 - Specialist professional recruitment net fee income of £56.0m down 16%*, with permanent (63% of fees) down 17%* and temporary (35% of fees, being contract and interim) down 14%*.
 - Recruitment outsourcing net fee income of £11.3m down 16%*, as clients remain cautious regarding volume hiring. Notwithstanding this, the deal pipeline is encouraging.
- Period end total headcount of 3,202 down 3% quarter-on-quarter (31 December 2024: 3,294) and down 16% year-on-year (31 March 2024: 3,812). Fee earner headcount fell by 4% quarter-on-quarter (down 17% year-on-year) to 1,890, whilst non-fee earner headcount fell by 1% quarter-on-quarter (down 14% year-on-year) to 1,312. The Group remains highly selective in the replacement of fee earner natural attrition, and continues to optimise both the front and back office operating model – in-line with the medium-term margin improvement programme.
- Group net fee income per fee earner up 2% year-on-year in constant currency, as fee rates remain stable and supported by positive mix and wage inflation.
- Q1 perm placements per perm fee earner decreased by 7% year-on-year to 0.76, reflective of market conditions and the strategic decision not to let fee earner headcount fall wholly proportionally with volumes.
- Consistent with the medium-term margin improvement programme, office network consolidation continued during the quarter in the USA.
- Period end net cash of c.£42m (31 December 2024: £53m) reflective of the typical outflow profile of the first quarter.

Toby Fowlston, Chief Executive, commented:

“Global hiring markets remained challenging during the first quarter. We saw some pockets of growth in the UK and broadly stable activity levels in Asia-Pacific, however the weaker sentiment seen in Europe in late 2024 has continued. More recently, increased uncertainty regarding the flow of global trade due to tariffs is likely to be a further headwind to client and candidate confidence in the near term – limiting visibility on the outlook for the balance of the year at the present time. Continual focus is being applied to all elements of our cost base.”

We remain highly focused on our strategic initiatives to strengthen the business. We are rigorously engaged in improving fee earner productivity across our markets, driving efficiencies in our front and back-office teams, optimising our office network and leveraging more co-ordinated procurement. In today's rapidly changing world of work, clients need a wider range of services than before. We have a full suite of talent solutions to support them, delivered by experienced and motivated teams, and will continue to navigate the protracted challenging trading environment."

Regional summary

- **Asia-Pacific:** net fee income down 15%*. Specialist recruitment down 11%*. In Japan (-7%*), there was more cautious client behaviour in perm but good growth was seen in temp. Conditions in Australia (-11%*) remain more favourable than New Zealand (-34%*), with demand for temps in the public sector yet to improve in the latter. A resilient performance in Greater China (-1%*) was led by growth in Mainland China (+12%*). South-East Asia declined by 16%*. Recruitment outsourcing down 42%*, reflective of a client account not being renewed.
- **Europe:** net fee income down 22%*. Specialist recruitment down 22%*. In the Netherlands (-30%*), there was increased uncertainty in temp from new legislative enforcement powers regarding self-employment, whilst conditions in France (-17%*) and Belgium (-15%*) remain tough. The turnaround in Spain (-32%*) is in the early stages, however trading was broadly stable sequentially. In Germany (-26%*), tougher conditions continued in perm, however interim volumes were up year-on-year.
- **UK:** net fee income down 4%. Specialist recruitment down 1%. Outperformance continued in London (+22%). In the Regions (-22%), the comparative pre-dates the recent office network consolidation. Recruitment outsourcing down 8%.
- **Rest of World:** net fee income down 18%*. Specialist recruitment down 26%*. More muted performance seen in the Middle East (-12%*), whilst USA performance (-49%*) partly reflects office network consolidation during the quarter. Recruitment outsourcing down 1%*.

Conference call

Toby Fowlston, Chief Executive Officer, and David Bower, Chief Financial Officer, will host a conference call for analysts and investors at 8:30am (UK) today. The conference call can be accessed using the below details:

Dial in: +44 (0) 33 0551 0200
Password: Robert Walters Q1

Next news flow

The Company will publish a trading update for the second quarter ending 30 June 2025 on Tuesday 15 July 2025.

- Ends -

Enquiries

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About Robert Walters

Established in 1985, Robert Walters is a global talent solutions business operating in 31 countries across the globe. We support organisations to build high-performing teams, and help professionals to grow meaningful careers. Our client base ranges from the world's leading blue-chip corporates through to SMEs and start-ups.

We deliver three core services:

- **Specialist professional recruitment** - encompassing permanent and temporary recruitment, interim management and executive search.
- **Recruitment outsourcing** - enabling organisations to transfer all, or part of, their recruitment needs to us either through recruitment process outsourcing (RPO) or contingent workforce solutions (CWS).
- **Talent advisory** - supporting the growth of organisations through market intelligence, talent development, and future of work consultancy.

Our approximately 3,200 employees are passionate about powering people and organisations to fulfil their unique potential. We take the time to listen to, and fully connect with, the people and organisations we partner with. Our ability to truly understand them and create and share their compelling stories is what sets us apart.

www.robertwalters.com

Forward looking statements

This announcement contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them at the time of their approval of this announcement and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.