

# HALF-YEARLY FINANCIAL RESULTS 2018

ROBERT WALTERS PLC

ROBERT WALTERS

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## INTRODUCTION

**PEOPLE** ARE THE MOST IMPORTANT COMPONENTS OF OUR BUSINESS. FROM THE JOB SEEKER, TO THE HIRING MANAGER, TO THOSE WHO BRING THEM TOGETHER. SO WE STAND BY OUR **COMMITMENT** TO OUR CLIENTS, CANDIDATES AND EMPLOYEES EVERY DAY, WHICH IS A TEAM-BASED COLLABORATIVE ENVIRONMENT THAT PROVIDES A QUALITY SERVICE. **INNOVATION** IS THE KEY, ALWAYS IMPROVING AND DIFFERENTIATING WHAT WE DO. WHICH IS WHAT HAS CREATED YEARS OF SUCCESSFUL **GROWTH** IN OUR BUSINESS – WE NOW HAVE 3,996 PEOPLE IN 28 COUNTRIES HELPING THE WORLD'S BUSINESSES CHOOSE THE BEST CANDIDATES.

## FINANCIAL HIGHLIGHTS

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# £625.9m

REVENUE (2017: £562.7m)



# £188.6m

NET FEE INCOME (GROSS PROFIT) (2017: £164.5m)



# £20.7m

OPERATING PROFIT (2017: £16.2m)



# £20.6m

PROFIT BEFORE TAXATION (2017: £15.6m)



# 21.2p

BASIC EARNINGS PER SHARE (2017: 16.3p)



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To view our Half-yearly Financial Results online visit [robertwalters.com/investors](http://robertwalters.com/investors)

## HALF-YEARLY MANAGEMENT REPORT

The Group delivered a record first half performance increasing profit before taxation by 32% (35%\*) to £20.6m. All of the Group's regions delivered increases in both net fee income and operating profit with fifteen countries producing record results. The second quarter was also the Group's first ever £100m net fee income quarter.

The Group continued to benefit from the diversity of both our international footprint which includes some of the world's fastest developing and growing recruitment markets and the breadth and depth of recruitment solutions we provide to clients, from permanent, contract and interim recruitment through to recruitment process outsourcing. Our dedicated Innovation team also continues to assess and deploy, where relevant, new tools, processes and technology to maximise consultant efficiency and ensure a focus on building high quality personal relationships with our clients and candidates.

Revenue was up 11% (13%\*) to £625.9m (£637.4m\*) (2017: £562.7m) and gross profit (net fee income) increased by 15% (17%\*) to £188.6m (£193.2m\*) (2017: £164.5m). Operating profit increased 28% (30%\*) to £20.7m (£21.1m\*) (2017: £16.2m). The Group has maintained a strong balance sheet with net cash of £24.8m as at 30 June 2018 (30 June 2017: £18.4m).

Permanent recruitment currently represents 69% (2017: 69%) of the Group's recruitment net fee income. Group headcount now stands at 3,996 (30 June 2017: 3,495) a 14% increase year-on-year with growth highest in those regions and disciplines showing the strongest potential for long-term growth.

### Asia Pacific (39% of net fee income)

Revenue was £189.7m (2017: £185.3m) and net fee income increased by 8% (15%\*) to £73.1m (£77.3m\*) (2017: £67.4m) delivering a 19% (28%\*) increase in operating profit to £9.2m (£9.9m\*) (2017: £7.7m).

In Asia, where the Group has an unrivalled geographic footprint, performance was strong across both emerging and established recruitment markets. In Japan, the Group's most profitable market, we delivered a record performance with operating profit increasing by over 25%\* fuelled by continued strong demand for bilingual professionals. Taiwan also grew profits in excess of 25%\*, whilst Indonesia and Vietnam more than doubled operating profit, further highlighting the growth potential of these fast-evolving recruitment markets where professionals are in short supply and we have first mover advantage. Hong Kong delivered record results, Singapore had a more positive first half despite challenging market conditions and Resource Solutions continued to grow its client portfolio across the region.

Both Australia and New Zealand produced strong first half results delivering operating profit growth of more than 35%\*. In Australia, growth was strongest across Victoria, Queensland and South Australia whilst our blend of both private and public sector revenue streams continues to provide a strong platform for growth in Auckland and Wellington.

### United Kingdom (28% of net fee income)

Revenue in the UK was £306.7m (2017: £278.1m) and net fee income increased by 9% to £52.6m (2017: £48.3m) delivering a 5% increase in operating profit to £4.2m (2017: £4.0m).

In the UK, we have delivered good growth across several different disciplines and locations. We continue to see good activity levels across the UK regions particularly in technology, where we have over the last few years developed a very strong offering, and commerce finance. During the period, we invested in a new office in Leeds to further expand our regional office footprint and grew headcount across the regional business. In London, performance was strongest across legal, commerce finance and technology, however after a strong 2017, the financial services market has been relatively subdued. Resource Solutions continued to grow net fee income and successfully expanded its service offering across a number of key client accounts.

### Europe (26% of net fee income)

Revenue was £114.1m (2017: £88.4m) and net fee income increased by 29% (26%\*) to £48.9m (£48.0m\*) (2017: £38.0m) delivering a 62% (57%\*) increase in operating profit to £7.1m (£6.9m\*) (2017: £4.4m).

Our business across Europe continues to go from strength to strength underpinned by the breadth of our service offering across permanent, contract and interim recruitment.

Seven of the region's eight markets delivered record performances with France, the region's largest business, Germany, Spain and Switzerland all delivering operating profit uplifts in excess of 40%\*.

During the period, we opened a new office in Hamburg, our third in Germany, to further capitalise on opportunities for growth in this high potential market.

### Other International (7% of net fee income)

Other International comprises North America, Brazil, the Middle East and South Africa. Revenue was £15.4m (2017: £11.0m), net fee income was up 29% (40%\*) to £14.0m (£15.3m\*) (2017: £10.9m) producing an operating profit of £0.2m (£0.1m\*) (2017: £0.1m).

In North America, our businesses in New York and Toronto, in particular, delivered standout first half results and we continue to invest in additional headcount to support growth opportunities. The Middle East and Brazil also delivered good performances increasing net fee income by 31%\* and 47%\* respectively whilst our business in South Africa was flat year-on-year.

\* Constant currency is calculated by applying prior period exchange rates to local currency results for the current and prior periods.

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### Cash flow

The Group maintained a strong net cash position of £24.8m as at 30 June 2018 (30 June 2017: £18.4m). Working capital in the period has increased by £17.8m primarily due to an 11% increase in the number of temporary workers, resulting in £8.3m cash generated from operating activities. Notable cash outflows included a dividend of £6.6m, £4.6m of tax payments and capital expenditure of £2.8m.

### Dividend

The interim dividend will be increased by 45% to 4.0p per share (2017: 2.75p) and will be paid on 19 October 2018 to those shareholders on the Company's register as at 7 September 2018.

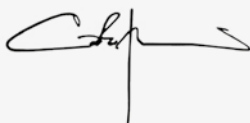
### Treasury management, currency risk and other principal risks and uncertainties affecting the business

The Group does not have material transactional exposures although is exposed to translation differences on the profits and cash flows generated in its overseas operations. Overseas currency balances that are surplus to local working capital requirements are converted on a regular basis to Pounds Sterling. The main functional currencies of the Group's operating divisions are Pounds Sterling, the Euro, the Australian Dollar and the Japanese Yen.

The other principal risks and uncertainties affecting the Group's business activities remain those detailed within the Principal Risks and Uncertainties section of the Annual Report and Accounts for the year ended 31 December 2017, namely the economic environment, business model, people management, brand and reputation, laws and regulation and technology. The Board does not foresee a material change in respect of these factors for the remainder of the year.

### Outlook

We enter the second half of the year with confidence that the Group's platform for growth continues to be strong, across both emerging and well-established markets and disciplines, and that we are well positioned to further capitalise on market opportunities as they arise.



**Carol Hui**  
Chairman  
25 July 2018



**Robert Walters**  
Chief Executive

## CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	2018 6 months to 30 June Unaudited £'000	2017 6 months to 30 June Unaudited £'000	2017 12 months to 31 December Audited £'000
<b>Continuing operations</b>				
Revenue	4	<b>625,866</b>	562,704	1,165,776
Cost of sales		<b>(437,307)</b>	(398,175)	(820,528)
<b>Gross profit</b>	4	<b>188,559</b>	164,529	345,248
Administrative expenses		<b>(167,845)</b>	(148,283)	(303,350)
<b>Operating profit</b>	4	<b>20,714</b>	16,246	41,898
Finance income		<b>150</b>	163	531
Finance costs		<b>(319)</b>	(395)	(981)
Gain (loss) on foreign exchange		<b>16</b>	(446)	(874)
<b>Profit before taxation</b>	4	<b>20,561</b>	15,568	40,574
Taxation	5	<b>(5,510)</b>	(4,437)	(11,239)
<b>Profit for the period</b>		<b>15,051</b>	11,131	29,335
<b>Earnings per share (pence):</b>				
	7			
Basic		<b>21.2</b>	16.3	42.9
Diluted		<b>19.2</b>	14.7	38.9

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENSE

	2018 6 months to 30 June Unaudited £'000	2017 6 months to 30 June Unaudited £'000	2017 12 months to 31 December Audited £'000
Profit for the period	<b>15,051</b>	11,131	29,335
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translation of overseas operations	<b>(248)</b>	20	(1,686)
<b>Total comprehensive income and expense for the period</b>	<b>14,803</b>	11,151	27,649

## CONDENSED CONSOLIDATED BALANCE SHEET

	Note	2018 30 June Unaudited £'000	2017 30 June Unaudited £'000	2017 31 December Audited £'000
<b>Non-current assets</b>				
Intangible assets		11,433	11,809	11,909
Property, plant and equipment		9,636	9,356	9,135
Deferred tax assets		10,247	9,127	10,163
		<b>31,316</b>	30,292	31,207
<b>Current assets</b>				
Trade and other receivables		250,604	251,589	227,585
Corporation tax receivables		1,556	836	3,016
Cash and cash equivalents		51,344	49,281	61,872
		<b>303,504</b>	301,706	292,473
<b>Total assets</b>		<b>334,820</b>	331,998	323,680
<b>Current liabilities</b>				
Trade and other payables		(166,261)	(189,379)	(161,270)
Corporation tax liabilities		(5,963)	(5,139)	(6,986)
Bank overdrafts and loans	9	(26,513)	(30,923)	(30,784)
Provisions		(994)	(641)	(1,198)
		<b>(199,731)</b>	(226,082)	(200,238)
<b>Net current assets</b>		<b>103,773</b>	75,624	92,235
<b>Non-current liabilities</b>				
Provisions		(1,906)	(2,692)	(1,634)
		<b>(1,906)</b>	(2,692)	(1,634)
Total liabilities		<b>(201,637)</b>	(228,774)	(201,872)
<b>Net assets</b>		<b>133,183</b>	103,224	121,808
<b>Equity</b>				
Share capital		15,923	15,711	15,875
Share premium		21,948	21,935	21,936
Other reserves		(71,818)	(71,818)	(71,818)
Own shares held		(13,171)	(18,384)	(18,193)
Treasury shares held		(9,095)	(9,095)	(9,095)
Foreign exchange reserves		12,104	14,058	12,352
Retained earnings		177,292	150,817	170,751
<b>Total equity</b>		<b>133,183</b>	103,224	121,808

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	2018 6 months to 30 June Unaudited £'000	2017 6 months to 30 June Unaudited £'000	2017 12 months to 31 December Audited £'000
<b>Cash generated from operating activities</b>	8	<b>8,289</b>	17,468	43,025
Income taxes paid		<b>(4,578)</b>	(3,418)	(11,032)
<b>Net cash generated from operating activities</b>		<b>3,711</b>	14,050	31,993
<b>Investing activities</b>				
Interest received		<b>150</b>	163	531
Purchases of computer software		<b>(585)</b>	(1,069)	(1,912)
Purchases of property, plant and equipment		<b>(2,192)</b>	(2,968)	(5,079)
<b>Net cash used in investing activities</b>		<b>(2,627)</b>	(3,874)	(6,460)
<b>Financing activities</b>				
Equity dividends paid		<b>(6,607)</b>	(4,195)	(6,074)
Proceeds from issue of equity		<b>60</b>	114	279
Interest paid		<b>(319)</b>	(395)	(981)
Proceeds from bank loans		<b>572</b>	-	-
Repayment of bank loans		<b>(4,845)</b>	(9,114)	(9,188)
Share buy-back and cancellation		-	(8,033)	(8,033)
Purchase of own shares		-	(1,746)	(1,784)
Proceeds from exercise of share options		<b>13</b>	670	846
<b>Net cash used in financing activities</b>		<b>(11,126)</b>	(22,699)	(24,935)
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(10,042)</b>	(12,523)	598
Cash and cash equivalents at beginning of the period		<b>61,872</b>	62,601	62,601
Effect of foreign exchange rate changes		<b>(486)</b>	(797)	(1,327)
<b>Cash and cash equivalents at end of the period</b>		<b>51,344</b>	49,281	61,872



## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £'000	Share premium £'000	Other reserves £'000	Own shares held £'000	Treasury shares held £'000	Foreign exchange reserves £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2017	16,101	21,854	(72,241)	(19,906)	(9,095)	14,038	151,192	101,943
Profit for the period	-	-	-	-	-	-	11,131	11,131
Foreign currency translation differences	-	-	-	-	-	20	-	20
Total comprehensive income and expense for the period	-	-	-	-	-	20	11,131	11,151
Dividends paid	-	-	-	-	-	-	(4,195)	(4,195)
Shares repurchased for cancellation	(423)	-	423	-	-	-	(8,033)	(8,033)
Credit to equity for equity-settled share-based payments	-	-	-	-	-	-	2,607	2,607
Deferred tax on share-based payment transactions	-	-	-	-	-	-	713	713
Transfer to own shares held on exercise of equity incentives	-	-	-	2,598	-	-	(2,598)	-
New shares issued and own shares purchased	33	81	-	(1,076)	-	-	-	(962)
Unaudited balance at 30 June 2017	15,711	21,935	(71,818)	(18,384)	(9,095)	14,058	150,817	103,224
Profit for the period	-	-	-	-	-	-	18,204	18,204
Foreign currency translation differences	-	-	-	-	-	(1,706)	-	(1,706)
Total comprehensive income and expense for the period	-	-	-	-	-	(1,706)	18,204	16,498
Dividends paid	-	-	-	-	-	-	(1,879)	(1,879)
Credit to equity for equity-settled share-based payments	-	-	-	-	-	-	2,717	2,717
Deferred tax on share-based payment transactions	-	-	-	-	-	-	946	946
Transfer to own shares held on exercise of equity incentives	-	-	-	54	-	-	(54)	-
New shares issued and own shares purchased	164	1	-	137	-	-	-	302
Balance at 31 December 2017	15,875	21,936	(71,818)	(18,193)	(9,095)	12,352	170,751	121,808
Profit for the period	-	-	-	-	-	-	15,051	15,051
Foreign currency translation differences	-	-	-	-	-	(248)	-	(248)
Total comprehensive income and expense for the period	-	-	-	-	-	(248)	15,051	14,803
Dividends paid	-	-	-	-	-	-	(6,607)	(6,607)
Credit to equity for equity-settled share-based payments	-	-	-	-	-	-	2,842	2,842
Deferred tax on share-based payment transactions	-	-	-	-	-	-	264	264
Transfer of own shares held on exercise of equity incentives	-	-	-	5,009	-	-	(5,009)	-
New shares issued and own shares purchased	48	12	-	13	-	-	-	73
<b>Unaudited balance at 30 June 2018</b>	<b>15,923</b>	<b>21,948</b>	<b>(71,818)</b>	<b>(13,171)</b>	<b>(9,095)</b>	<b>12,104</b>	<b>177,292</b>	<b>133,183</b>

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## NOTES TO THE CONDENSED SET OF FINANCIAL STATEMENTS

### 1. Statement of accounting policies

#### Basis of preparation

The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The condensed set of financial statements has been prepared in accordance with the International Accounting Standard 34 'Interim Financial Reporting', as adopted by the European Union.

The accounting policies applied by the Group are as set out in detail in the Annual Report and Accounts for the year ended 31 December 2017.

IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers were adopted from 1 January 2018. As stated in the Annual Report and Accounts for the year ended 31 December 2017 these have not had a material impact on the financial statements.

The Group was profitable for the period and has considerable financial resources, including £24.8m of net cash at 30 June 2018, together with a diverse range of clients and suppliers across different geographic locations and sectors. As a consequence, the Directors believe the Group is well placed to manage its business risks successfully.

After making enquiries, the Directors have formed a judgement, at the time of approving the Half-yearly Financial Results, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of this report. For this reason the Directors continue to adopt the going concern basis in preparing the condensed set of financial statements.

### 2. Financial information

The financial information on pages 4 to 11 was formally approved by the Board of Directors on 25 July 2018. The financial information set out in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

Statutory accounts prepared under IFRSs for the year ended 31 December 2017 for Robert Walters plc have been delivered to the Registrar of Companies. The auditor's report on these accounts was not qualified, did not draw attention to any matters by way of emphasis and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The financial information in respect of the period ended 30 June 2018 is unaudited but has been reviewed by the Company's auditor. Their report is included on page 12. The financial information in respect of the period ended 30 June 2017 is also unaudited.

### 3. Currency conversion

The presentational currency of the Group is Pounds Sterling and the condensed set of financial statements has been prepared on this basis.

The Condensed Consolidated Income Statement for the period ended 30 June 2018 has been prepared using, among other currencies, the average exchange rate of €1.1363 to the Pound (period ended 30 June 2017: €1.1625; year ended 31 December 2017: €1.1414); ¥149.5392 to the Pound (30 June 2017: ¥141.3893; 31 December 2017: ¥144.4563) and AU\$1.7836 to the Pound (30 June 2017: AU\$1.6681; 31 December 2017: AU\$1.6801).

The Condensed Consolidated Balance Sheet as at 30 June 2018 has been prepared using the exchange rates on that day of €1.1298 to the Pound (30 June 2017: €1.1381; 31 December 2017: €1.1262); ¥146.1260 to the Pound (30 June 2017: ¥145.7482; 31 December 2017: ¥151.9886) and AU\$1.7815 to the Pound (30 June 2017: AU\$1.6914; 31 December 2017: AU\$1.7281).

#### 4. Segmental information

	2018 6 months to 30 June Unaudited £'000	2017 6 months to 30 June Unaudited £'000	2017 12 months to 31 December Audited £'000
<b>i) Revenue:</b>			
Asia Pacific	189,659	185,265	370,248
UK	306,723	278,117	569,610
Europe	114,105	88,368	189,056
Other International	15,379	10,954	36,862
	<b>625,866</b>	562,704	1,165,776
<b>ii) Gross profit:</b>			
Asia Pacific	73,067	67,384	136,641
UK	52,602	48,277	100,881
Europe	48,891	37,981	80,649
Other International	13,999	10,887	27,077
	<b>188,559</b>	164,529	345,248
<b>iii) Profit before taxation:</b>			
Asia Pacific	9,205	7,749	17,719
UK	4,193	4,010	11,802
Europe	7,139	4,397	11,279
Other International	177	90	1,098
<b>Operating profit</b>	<b>20,714</b>	16,246	41,898
Net finance costs	(153)	(678)	(1,324)
<b>Profit before taxation</b>	<b>20,561</b>	15,568	40,574
<b>(iv) Total assets:</b>			
Asia Pacific	66,138	60,524	62,312
UK	141,530	156,291	125,923
Europe	53,394	44,740	49,677
Other International	10,613	11,199	10,717
Unallocated corporate assets*	63,145	59,244	75,051
	<b>334,820</b>	331,998	323,680
<b>(v) Total liabilities:</b>			
Asia Pacific	(36,672)	(33,963)	(34,407)
UK	(98,380)	(127,251)	(91,996)
Europe	(29,063)	(25,076)	(31,676)
Other International	(5,047)	(6,422)	(6,024)
Unallocated corporate liabilities*	(32,475)	(36,062)	(37,769)
	<b>(201,637)</b>	(228,774)	(201,872)
<b>vi) Revenue by business grouping:</b>			
Robert Walters	338,556	318,954	643,626
Resource Solutions	287,310	243,750	522,150
	<b>625,866</b>	562,704	1,165,776

\* For the purpose of segmental analysis, unallocated corporate assets and liabilities include cash, bank loans, corporation and deferred tax balances.

## NOTES TO THE CONDENSED SET OF FINANCIAL STATEMENTS CONTINUED

### 5. Taxation

	2018 6 months to 30 June Unaudited £'000	2017 6 months to 30 June Unaudited £'000	2017 12 months to 31 December Audited £'000
Current tax	5,271	4,623	11,685
Deferred tax	239	(186)	(446)
<b>Total tax charge for the period</b>	<b>5,510</b>	<b>4,437</b>	<b>11,239</b>

The tax charge is based on the expected annual effective tax rate of 26.8% (2017: 28.5%) on profit before taxation. The effective tax rate is higher than the standard UK rate of 19%, primarily as a result of overseas taxation in Japan, Australia and France, and the impact of adjustments to accounting profit in the tax calculation and disallowable costs.

### 6. Dividends

	2018 6 months to 30 June Unaudited £'000	2017 6 months to 30 June Unaudited £'000	2017 12 months to 31 December Audited £'000
Amounts recognised as distributions to equity holders in the period:			
Final dividend for 2017 of 9.3p (2016: 6.2p)	6,607	4,195	6,429
Interim dividend for 2017 of 2.75p (2016: 2.3p)	-	-	1,877
	<b>6,607</b>	<b>4,195</b>	<b>8,306</b>
Proposed interim dividend for 2018 of 4.0p (2017: 2.75p)	<b>2,843</b>	1,877	N/A

The proposed interim dividend was approved by the Board on 25 July 2018 and has not been included as a liability at 30 June 2018.

### 7. Earnings per share

The calculation of earnings per ordinary share is based on the profit for the period attributable to equity holders of the parent and the weighted average number of shares of the Company.

	2018 6 months to 30 June Unaudited £'000	2017 6 months to 30 June Unaudited £'000	2017 12 months to 31 December Audited £'000
Profit for the period attributable to equity holders of the parent	15,051	11,131	29,335

	Number of shares	Number of shares	Number of shares
Weighted average number of shares:			
Shares in issue throughout the period	79,374,520	80,507,284	80,507,284
Shares issued in the period	125,389	92,076	317,504
Shares cancelled in the period	-	(1,668,798)	(1,893,733)
Treasury and own shares held	(8,543,036)	(10,822,054)	(10,558,159)
<b>For basic earnings per share</b>	<b>70,956,873</b>	<b>68,108,508</b>	<b>68,372,896</b>
Outstanding share options	7,370,243	7,821,209	7,086,415
<b>For diluted earnings per share</b>	<b>78,327,116</b>	<b>75,929,717</b>	<b>75,459,311</b>

## 8. Notes to the cash flow statement

	2018 6 months to 30 June Unaudited £'000	2017 6 months to 30 June Unaudited £'000	2017 12 months to 31 December Audited £'000
<b>Operating profit for the period</b>	<b>20,714</b>	16,246	41,898
Adjustments for:			
Depreciation and amortisation charges	<b>2,480</b>	2,238	4,738
Loss on disposal of property, plant and equipment and computer software	<b>85</b>	178	681
Charge in respect of share-based payment transactions	<b>2,842</b>	2,607	5,324
<b>Operating cash flows before movements in working capital</b>	<b>26,121</b>	21,269	52,641
(Increase) decrease in receivables	<b>(23,021)</b>	(14,819)	7,733
Increase (decrease) in payables	<b>5,189</b>	11,018	(17,349)
<b>Cash generated from operating activities</b>	<b>8,289</b>	17,468	43,025

## 9. Bank loans

The Group has a committed financing facility of £45.0m, which expires in December 2020.

At 30 June 2018, £25.4m (2017: £30.3m) was drawn down under this facility.

The Group also has a non-recourse sales invoice facility of £15.0m.

The Group has a short-term facility of Renminbi 25m (£2.9m) of which Renminbi 10m (£1.1m) was drawn down as at 30 June 2018. The loan is secured against cash deposits in Hong Kong.

## 10. Related party transactions

During the first six months of the year, there were related party transactions totalling £45,000 (2017: £77,000) with Tay Associates Limited, a related party through a Director of Robert Walters plc.

There were no outstanding balances as at 30 June 2018.

All transactions were undertaken on an arms-length basis.

## 11. Registered office

The Company's registered office is located at 11 Slingsby Place, St Martin's Courtyard, London, WC2E 9AB.

## RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';
- the Interim Management Report includes a fair review of the information required by DTR 4.2.7R (indication of the important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- the Interim Management Report and note 10 includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

By order of the Board,



**Alan Bannatyne**  
Chief Financial Officer  
25 July 2018

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## INDEPENDENT REVIEW REPORT TO ROBERT WALTERS PLC

We have been engaged by the Company to review the condensed set of financial statements in the Half-yearly Financial Report for the six months ended 30 June 2018 which comprises the Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Comprehensive Income and Expense, the Condensed Consolidated Balance Sheet, the Condensed Consolidated Cash Flow Statement, the Condensed Consolidated Statement of Changes in Equity, and related notes 1 to 11. We have read the other information contained in the Half-yearly Financial Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

### Directors' responsibilities

The Half-yearly Financial Report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Half-yearly Financial Report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this Half-yearly Financial Report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

### Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the Half-yearly Financial Report based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the Half-yearly Financial Report for the six months ended 30 June 2018 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.



### Deloitte LLP

Statutory Auditor  
London, United Kingdom  
25 July 2018



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