

9 January 2020

ROBERT WALTERS PLC

(the 'Company' or the 'Group')

Trading update for the fourth quarter ended 31 December 2019**FULL YEAR PROFIT IN LINE WITH EXPECTATIONS DESPITE CHALLENGING MARKET CONDITIONS****Financial and operational highlights**

Gross profit (Net fee income)	Q4 2019	Q4 2018	% change	% change (constant currency*)
Group	£94.2m	£102.3m	(8%)	(7%)
Asia Pacific	£38.5m	£40.0m	(4%)	(4%)
Europe	£27.7m	£27.6m	1%	4%
UK	£20.7m	£26.8m	(23%)	(23%)
Other International	£7.3m	£7.9m	(7%)	(7%)

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

- Group net fee income for the fourth quarter down 7% (down 8% actual) against a backdrop of significant political and economic uncertainty, particularly in the UK.
- 78% (2018: 74%) of the Group's net fee income now derived from overseas businesses.
- Asia Pacific net fee income down 4% (down 4% actual).
 - In Asia Pacific, Japan, Korea, New Zealand and the Philippines delivered the strongest rates of net fee income growth. Market conditions in Hong Kong were extremely challenging given the ongoing protests.
 - Resource Solutions impacted by the hiring slowdown across a number of financial services clients.
 - Robust performance in Australia with Sydney, Chatswood and Brisbane the strongest performers.
- Europe net fee income up 4% (1% actual).
 - Blend of permanent, contract and interim recruitment revenue streams continues to be a strength.
 - The Netherlands and Spain delivered record results. Robust performance in France, the region's largest business, with net fee income growing 6%. Trading conditions in Germany and Switzerland were more challenging.
- UK net fee income down 23%.
 - During the quarter client and candidate confidence deteriorated, across both recruitment and recruitment process outsourcing, due to the political uncertainty related to Brexit and the General Election.
- Other International (the Americas, Middle East and South Africa) net fee income down 7% (down 7% actual).
- Group headcount decreased by 5% to 4,027 (30 September 2019: 4,258) with reductions focused in the Resource Solutions business, in line with client's reduced hiring levels.
- Strong balance sheet with net cash of £78.9m as at 31 December 2019 (31 December 2018: £74.3m).

Robert Walters, Chief Executive, commented:

“Trading conditions in the fourth quarter proved challenging with client and candidate confidence impacted by political turbulence around Brexit, the UK General Election, Hong Kong protests and the US/China trade standoff.

“Whilst Group net fee income for the fourth quarter was down 7% (8% actual), net fee income for the full year was up 2% (3% actual) year-on-year. We expect profit for the full year to be in line with market expectations.”

The Group will publish its full year results for the year ended 31 December 2019 on 3 March 2020.

– Ends –

Further information

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About Robert Walters

Robert Walters is a market-leading international specialist professional recruitment group with over 4,000 staff spanning 31 countries. We specialise in the placement of the highest calibre professionals across the disciplines of accountancy and finance, banking, engineering, HR, IT, legal, sales, marketing, secretarial and support and supply chain and procurement. Our client base ranges from the world's leading blue-chip corporates and financial services organisations through to SMEs and start-ups. The Group's outsourcing division, Resource Solutions is a market leader in recruitment process outsourcing and managed services.

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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.