

9 July 2019

## ROBERT WALTERS PLC

(the 'Company' or the 'Group')

## Trading update for the second quarter ended 30 June 2019

## PERFORMANCE IN LINE WITH EXPECTATIONS

## Financial and operational highlights

Gross profit (Net fee income)	Q2 2019	Q2 2018	% change	% change (constant currency*)
<b>Group</b>	<b>£106.4m</b>	<b>£99.9m</b>	<b>7%</b>	<b>5%</b>
Asia Pacific	£44.2m	£40.5m	9%	7%
Europe	£27.7m	£24.6m	13%	13%
UK	£25.2m	£27.3m	(8%)	(8%)
Other International	£9.2m	£7.5m	23%	18%

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

- Solid second quarter performance with Group net fee income up 5% (7% actual) year-on-year.
- 76% (2018: 73%) of the Group's net fee income now derived from overseas businesses.
- Continued investment in growing international footprint – first office opened in Mexico (Mexico City) and a fourth office opened in the Netherlands (Utrecht).
- Asia Pacific net fee income up 7% (9% actual).
  - In Asia, record performance in Japan. Emerging markets continue to perform well. Hong Kong impacted by recent political unrest. Encouraging signs of momentum in Singapore and Malaysia.
  - Single digit growth in Australia and a record performance in New Zealand.
- Europe net fee income up 13% (13% actual).
  - Blend of permanent, contract and interim recruitment revenue streams continues to be a key strength.
  - Good growth across the region with France, Germany, Netherlands and Portugal all growing in excess of 15% year-on-year.
  - Encouraging bounce-back in France, the Group's largest business in the region, following the impact of the gilets jaunes demonstrations during the first quarter.
- UK net fee income down 8%.
  - Client and candidate confidence was weaker during the quarter as a result of UK political turmoil. Tough year-on-year comparatives.
  - The UK has delivered positive net fee income growth for the first half with pockets of buoyancy across financial services, technology and the regions.
- Other International (the Americas, Middle East and South Africa) net fee income up 18% (23% actual) with North America delivering a strong performance.
- 0.2m shares purchased through the Group's Employee Benefit Trust at an average price of £5.80 for £1.1m.
- Group headcount increased by 1% to 4,323 (31 March 2019: 4,277).
- Strong balance sheet with net cash of £53.2m as at 30 June 2019 (30 June 2018: £22.9m).

Robert Walters, Chief Executive, commented:

*“The Group produced a solid performance with net fee income for the second quarter up 5% (7% actual) year-on-year. Net fee income for the first half was up 8% (9% actual).*

*“Our international businesses have continued to perform well and now represent 76% of Group net fee income. The UK has been impacted by Brexit-related uncertainty, however the Group’s diverse geographic footprint and blend of revenue streams ensures we are well positioned for the future.*

*“Current trading remains in line with market expectations for the full year.”*

The Group will publish its half-yearly results for the six months ended 30 June 2019 on 25 July 2019.

– Ends –

#### **Further information**

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#### **About Robert Walters**

Robert Walters is a market-leading international specialist professional recruitment group with over 4,300 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.