



HALF-YEARLY FINANCIAL RESULTS 2016
ROBERT WALTERS PLC

ROBERT WALTERS

SPECIALISTS IN RECRUITMENT

Robert Walters is a market-leading international specialist professional recruitment group spanning 25 countries.

We specialise in the placement of the highest calibre professionals across a range of professional disciplines. The Group's outsourcing division, Resource Solutions, is a market leader in recruitment process outsourcing and managed services.

FINANCIAL HIGHLIGHTS

REVENUE

£451.4m

(2015: £377.6m)

NET FEE INCOME

£128.1m

(2015: £113.9m)

OPERATING PROFIT

£10.1m

(2015: £9.0m)

PROFIT BEFORE TAXATION

£11.2m

(2015: £8.7m)

BASIC EARNINGS PER SHARE

10.6p

(2015: 8.0p)

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INTERIM MANAGEMENT REPORT

Revenue was up 20% (17%*) to £451.4m (£443.0m*) (2015: £377.6m) and gross profit (net fee income) increased by 12% (9%*) to £128.1m (£123.8m*) (2015: £113.9m). Operating profit increased 12% (down 2%*) to £10.1m (£8.8m*) (2015: £9.0m) benefiting from a foreign exchange gain of £1.3m on the translation of overseas earnings. Profit before taxation increased by 29% (15%*) to £11.2m (£10.0m*) (2015: £8.7m) including a foreign currency gain of £1.4m. The Group has maintained a strong balance sheet with net cash of £10.2m as at 30 June 2016 (30 June 2015: £14.6m).

Permanent recruitment currently represents 69% (2015: 70%) of the Group's recruitment net fee income. Group headcount now stands at 2,902 (30 June 2015: 2,728).

Growth was strongest in our Asia Pacific and Continental European regions which together now account for 64% of the Group's recruitment net fee income. Our recruitment process outsourcing business, Resource Solutions, also continues to win new clients and grow net fee income strongly.

Our first half results once again highlight the strength of our globally diversified business – a blend of revenue streams covering permanent, contract, interim and recruitment process outsourcing coupled with a global footprint spanning 25 countries including many of the world's fastest growing and emerging recruitment markets.

Asia Pacific (42% of net fee income)

Revenue was £154.9m (2015: £133.2m) and net fee income increased by 15% (10%*) to £54.0m (£51.5m*) (2015: £47.0m) delivering a 35% (16%*) increase in operating profit to £6.4m (£5.5m*) (2015: £4.7m).

In Asia, the standout performances were delivered by our businesses in Japan, now the largest operation in the region, Korea, Indonesia, Thailand and Taiwan. Growth rates in mainland China and Hong Kong were more muted but positive whilst Singapore was flat year-on-year. We opened our first office in the Philippines to further reinforce our market leading position in the Asia region. Our footprint in Asia now covers 11 countries, many of which represent some of the world's fastest growing and developing recruitment markets.

Australia had a good first half delivering the strongest rate of growth we have seen for four years, with our businesses in central Sydney, Chatswood, Parramatta and Adelaide producing particularly strong results. In New Zealand, both our Auckland and Wellington offices continue to go from strength to strength.

Resource Solutions in Asia also performed well across both existing and new clients and a new client sourcing centre has been established in Hyderabad to support this growth.

United Kingdom (31% of net fee income)

Revenue in the UK was £220.6m (2015: £184.3m) and net fee income increased by 4% to £40.2m (2015: £38.7m) delivering an operating profit of £1.8m (2015: £2.8m).

The UK has had an uncertain economic and political backdrop for much of the first half which has impacted client and candidate confidence and the speed of decision-making. Whilst the impact has been most keenly felt in the financial services space in London, there have been some notable bright spots with legal recruitment, commerce finance and a number of regional UK locations seeing an increase in activity.

Resource Solutions grew net fee income strongly boosted by the winning of two new major client deals at the end of 2015. Significant investment was required to implement these engagements which has impacted UK profitability, however both deals will become profitable in the second half of the year.

Europe (22% of net fee income)

Revenue was £69.3m (2015: £54.2m) and net fee income increased by 27% (19%*) to £28.2m (£26.5m*) (2015: £22.3m). Operating profit more than doubled to £2.1m (£1.8m*) (2015: £1.0m).

Our businesses across Europe had a strong first half with six countries growing net fee income in excess of 20%, underpinned by broad based growth across permanent, contract and interim recruitment. Our Benelux business repeated the strong performance we have seen over the last two years and in Spain, the exceptional growth we have seen for the last three years continued apace.

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

Encouragingly, France, our largest business in the region, which has been slower to recover than our other European markets, delivered a record first half performance. In Germany and Switzerland, the management change we made last year has had a very positive effect with both markets now delivering strong rates of growth.

Other International (5% of net fee income)

Other International comprises the US, South Africa, the Middle East and Brazil. Revenue was £6.7m (2015: £5.9m), net fee income was down 5% (down 7%*) to £5.6m (£5.5m*) (2015: £5.9m) producing an operating loss of £0.2m (operating loss of £0.3m*) (2015: operating profit of £0.4m).

Our business in the Middle East delivered a record performance whilst in the US, a reduction in hiring activity in financial services in New York was balanced out by the excellent performance we continue to see from our business in San Francisco. Market conditions in both South Africa and Brazil remain challenging.

Cash flow

The Group maintained a strong net cash position of £10.2m as at 30 June 2016 (30 June 2015: £14.6m). Working capital in the period has increased by £3.5m and notable cash outflows included a dividend of £4.0m, £2.0m of tax payments and capital expenditure of £2.4m. During the period the Group funded the purchase of 4.2m shares by the Employee Benefit Trust for £13.5m at an average price of £3.17. A further 1.9m shares have been purchased for £5.3m at an average price of £2.75 since the period end.

Dividend

The interim dividend will be increased by 18% to 2.30p per share (2015: 1.95p) and will be paid on 14 October 2016 to those shareholders on the Company's register as at 2 September 2016.

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 are Pounds Sterling, the Euro, 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 2015, 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

Current trading is in line with market expectations for the full year. Despite the current uncertainty in the UK market, the Group's diversified business model ensures we are well positioned to take advantage of growth opportunities as they arise.



Leslie Van de Walle
Chairman
27 July 2016



Robert Walters
Chief Executive

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

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	2016 6 months to 30 June Unaudited £'000	2015 6 months to 30 June Unaudited £'000	2015 12 months to 31 December Audited £'000
Continuing operations				
Revenue	4	451,420	377,608	812,715
Cost of sales		(323,323)	(263,667)	(578,287)
Gross profit	4	128,097	113,941	234,428
Administrative expenses		(118,039)	(104,954)	(211,325)
Operating profit	4	10,058	8,987	23,103
Finance income		81	53	168
Finance costs		(316)	(326)	(630)
Gain (loss) on foreign exchange		1,368	(52)	(283)
Profit before taxation		11,191	8,662	22,358
Taxation	5	(3,412)	(2,685)	(7,068)
Profit for the period		7,779	5,977	15,290
Earnings per share (pence):				
Basic	7	10.6	8.0	20.6
Diluted		9.7	7.2	18.7

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2016 6 months to 30 June Unaudited £'000	2015 6 months to 30 June Unaudited £'000	2015 12 months to 31 December Audited £'000
Profit for the period	7,779	5,977	15,290
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of overseas operations	10,810	(4,266)	(1,347)
Total comprehensive income for the period	18,589	1,711	13,943

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	2016 30 June Unaudited £'000	2015 30 June Unaudited £'000	2015 31 December Audited £'000
Non-current assets				
Intangible assets		11,508	9,689	10,788
Property, plant and equipment		8,055	7,112	7,740
Deferred tax assets		9,443	8,569	8,785
		29,006	25,370	27,313
Current assets				
Trade and other receivables		226,265	170,777	191,849
Corporation tax receivables		561	463	1,103
Cash and cash equivalents		37,154	26,609	43,378
		263,980	197,849	236,330
Total assets		292,986	223,219	263,643
Current liabilities				
Trade and other payables		(163,612)	(127,394)	(139,906)
Corporation tax liabilities		(4,708)	(3,106)	(4,276)
Bank overdrafts and loans	9	(26,947)	(11,968)	(25,573)
Provisions		(587)	(347)	(294)
		(195,854)	(142,815)	(170,049)
Net current assets		68,126	55,034	66,281
Non-current liabilities				
Deferred tax liabilities		(33)	(27)	(4)
Provisions		(1,940)	(1,727)	(1,933)
		(1,973)	(1,754)	(1,937)
Total liabilities		(197,827)	(144,569)	(171,986)
Net assets		95,159	78,650	91,657
Equity				
Share capital		17,268	17,248	17,249
Share premium		21,848	21,829	21,836
Other reserves		(73,410)	(73,410)	(73,410)
Own shares held		(16,684)	(6,430)	(7,136)
Treasury shares held		(19,860)	(19,860)	(19,860)
Foreign exchange reserves		11,895	(1,834)	1,085
Retained earnings		154,102	141,107	151,893
Total equity		95,159	78,650	91,657

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	2016 6 months to 30 June Unaudited £'000	2015 6 months to 30 June Unaudited £'000	2015 12 months to 31 December Audited £'000
Cash generated from operating activities	8	9,041	11,125	23,214
Income taxes paid		(2,012)	(3,055)	(7,433)
Net cash generated from operating activities		7,029	8,070	15,781
Investing activities				
Interest received		81	53	169
Purchases of computer software		(1,232)	(495)	(2,058)
Purchases of property, plant and equipment		(1,214)	(933)	(3,929)
Purchases of non-controlling interest		-	(498)	(498)
Net cash used in investing activities		(2,365)	(1,873)	(6,316)
Financing activities				
Equity dividends paid		(3,966)	(3,237)	(4,688)
Proceeds from issue of equity		31	132	140
Interest paid		(316)	(326)	(630)
Proceeds from bank loans		1,276	522	1,672
Repayment of bank loans		-	(12,458)	-
Purchase of own shares		(13,510)	-	(822)
Proceeds from exercise of share options		4	120	452
Net cash used in financing activities		(16,481)	(15,247)	(3,876)
Net (decrease) increase in cash and cash equivalents		(11,817)	(9,050)	5,589
Cash and cash equivalents at beginning of the period		43,378	38,205	38,205
Effect of foreign exchange rate changes		5,593	(2,546)	(416)
Cash and cash equivalents at end of the period		37,154	26,609	43,378

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 2015	17,192	21,753	(73,410)	(8,765)	(19,860)	2,432	138,032	77,374
Profit for the period	–	–	–	–	–	–	5,977	5,977
Foreign currency translation differences	–	–	–	–	–	(4,266)	–	(4,266)
Total comprehensive income and expense for the period	–	–	–	–	–	(4,266)	5,977	1,711
Dividends paid	–	–	–	–	–	–	(3,237)	(3,237)
Credit to equity for equity-settled share-based payments	–	–	–	–	–	–	2,100	2,100
Deferred tax on share-based payment transactions	–	–	–	–	–	–	570	570
Transfer to own shares held on exercise of equity incentives	–	–	–	2,335	–	–	(2,335)	–
New shares issued and own shares purchased	56	76	–	–	–	–	–	132
Unaudited balance at 30 June 2015	17,248	21,829	(73,410)	(6,430)	(19,860)	(1,834)	141,107	78,650
Profit for the period	–	–	–	–	–	–	9,313	9,313
Foreign currency translation differences	–	–	–	–	–	2,919	–	2,919
Total comprehensive income and expense for the period	–	–	–	–	–	2,919	9,313	12,232
Dividends paid	–	–	–	–	–	–	(1,451)	(1,451)
Credit to equity for equity-settled share-based payments	–	–	–	–	–	–	2,556	2,556
Deferred tax on share-based payment transactions	–	–	–	–	–	–	32	32
Transfer to own shares held on exercise of equity incentives	–	–	–	(336)	–	–	336	–
New shares issued and own shares purchased	1	7	–	(370)	–	–	–	(362)
Balance at 31 December 2015	17,249	21,836	(73,410)	(7,136)	(19,860)	1,085	151,893	91,657
Profit for the period	–	–	–	–	–	–	7,779	7,779
Foreign currency translation differences	–	–	–	–	–	10,810	–	10,810
Total comprehensive income and expense for the period	–	–	–	–	–	10,810	7,779	18,589
Dividends paid	–	–	–	–	–	–	(3,966)	(3,966)
Credit to equity for equity-settled share-based payments	–	–	–	–	–	–	2,354	2,354
Deferred tax on share-based payment transactions	–	–	–	–	–	–	–	–
Transfer of own shares held on exercise of equity incentives	–	–	–	3,958	–	–	(3,958)	–
New shares issued and own shares purchased	19	12	–	(13,506)	–	–	–	(13,475)
Unaudited balance at 30 June 2016	17,268	21,848	(73,410)	(16,684)	(19,860)	11,895	154,102	95,159

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 2015.

In the current financial year the Group has adopted the following newly effective standards and amendments, none of which had a material impact:

- Annual improvements 2010–2012 cycle
- Annual improvements 2012–2014 cycle
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to IAS 27: Equity Method in Separate Financial Statements
- Amendments to IAS 1: Disclosure Initiative.

The Group was profitable for the period and has considerable financial resources, including £10.2m of net cash at 30 June 2016, 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. 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 27 July 2016. 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 2015 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 2016 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 2015 is also unaudited.

3 Currency conversion

The reporting 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 2016 has been prepared using, among other currencies, the average exchange rate of €1.2841 to the Pound (period ended 30 June 2015: €1.3643; year ended 31 December 2015: €1.3767); ¥160.0445 to the Pound (30 June 2015: ¥183.2010; 31 December 2015: ¥184.9947) and AU\$1.9547 to the Pound (30 June 2015: AU\$1.9475; 31 December 2015: AU\$2.0337).

The condensed consolidated balance sheet as at 30 June 2016 has been prepared using the exchange rates on that day of €1.2058 to the Pound (30 June 2015: €1.4165; 31 December 2015: €1.3831); ¥137.7140 to the Pound (30 June 2015: ¥192.8900; 31 December 2015: ¥184.6435) and AU\$1.7991 to the Pound (30 June 2015: AU\$2.0525; 31 December 2015: AU\$1.9046).

4 Segmental Information

	2016 6 months to 30 June Unaudited £'000	2015 6 months to 30 June Unaudited £'000	2015 12 months to 31 December Audited £'000
i) Revenue:			
Asia Pacific	154,862	133,211	285,145
UK	220,621	184,325	403,437
Europe	69,286	54,195	112,676
Other International	6,651	5,877	11,457
	451,420	377,608	812,715
ii) Gross profit:			
Asia Pacific	54,025	47,039	96,270
UK	40,196	38,660	80,352
Europe	28,242	22,313	46,349
Other International	5,634	5,929	11,457
	128,097	113,941	234,428
iii) Profit before taxation:			
Asia Pacific	6,350	4,717	12,930
UK	1,846	2,825	6,162
Europe	2,108	1,026	3,316
Other International	(246)	419	695
Operating profit	10,058	8,987	23,103
Net finance costs	1,133	(325)	(745)
Profit before taxation	11,191	8,662	22,358
iv) Total assets:			
Asia Pacific	63,841	49,910	53,265
UK	136,342	108,254	102,471
Europe	33,429	24,175	24,496
Other International	12,216	5,240	5,741
Unallocated corporate assets*	47,158	35,640	46,538
	292,986	223,219	232,511
v) Total liabilities:			
Asia Pacific	(28,627)	(23,931)	(24,947)
UK	(105,245)	(85,979)	(80,224)
Europe	(22,670)	(16,126)	(17,503)
Other International	(9,597)	(3,432)	(4,877)
Unallocated corporate liabilities*	(31,688)	(15,101)	(27,586)
	(197,827)	(144,569)	(155,137)
vi) Revenue by business grouping:			
Robert Walters	276,123	238,817	499,749
Resource Solutions	175,297	138,791	312,966
	451,420	377,608	812,715

* 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

5 Taxation

	2016 6 months to 30 June Unaudited £'000	2015 6 months to 30 June Unaudited £'000	2015 12 months to 31 December Audited £'000
Current tax	3,411	2,384	7,038
Deferred tax	1	301	30
Total tax charge for the period	3,412	2,685	7,068

The tax charge is based on the expected annual tax rate of 30.5% (2015: 31.6%) on profit before taxation.

6 Dividends

	2016 6 months to 30 June Unaudited £'000	2015 6 months to 30 June Unaudited £'000	2015 12 months to 31 December Audited £'000
Amounts recognised as distributions to equity holders in the period:			
Final dividend for 2015 of 5.13p (2014: 4.35p)	3,966	3,237	3,809
Interim dividend for 2015 of 1.95p (2014: 1.65p)	–	–	1,459
	3,966	3,237	5,268
Proposed interim dividend for 2016 of 2.30p (2015: 1.95p)	1,461	1,459	n/a

The proposed interim dividend was approved by the Board on 27 July 2016 and has not been included as a liability at 30 June 2016.

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.

	2016 6 months to 30 June Unaudited £'000	2015 6 months to 30 June Unaudited £'000	2015 12 months to 31 December Audited £'000
Profit for the period attributable to equity holders of the parent	7,779	5,977	15,290
	Number of shares	Number of shares	Number of shares
Weighted average number of shares:			
Shares in issue throughout the period	86,175,371	85,970,809	85,970,809
Shares issued in the period	95,145	138,014	204,562
Treasury and own shares held	(13,046,447)	(11,192,927)	(12,018,059)
For basic earnings per share	73,224,069	74,915,896	74,157,312
Outstanding share options	6,766,373	7,922,488	7,540,850
For diluted earnings per share	79,990,442	82,838,384	81,698,162

8 Notes to the cash flow statement

	2016 6 months to 30 June Unaudited £'000	2015 6 months to 30 June Unaudited £'000	2015 12 months to 31 December Audited £'000
Operating profit for the period	10,058	8,987	23,103
Adjustments for:			
Depreciation and amortisation charges	2,037	1,915	4,276
Loss on disposal of property, plant and equipment and computer software	44	135	719
Charge in respect of share-based payment transactions	2,354	2,099	4,656
Operating cash flows before movements in working capital	14,493	13,136	32,754
Increase in receivables	(22,946)	(7,080)	(25,711)
Increase in payables	17,494	5,069	16,171
Cash generated from operating activities	9,041	11,125	23,214

9 Bank loans

In January 2016, the Group renewed and extended to four years its committed financing facility of £35.0m, which expires in December 2019. At 30 June 2016, £25.2m (2015: £10.9m) was drawn down under this facility.

The Group has a short-term facility of Renminbi 15m (£1.6m) of which Renminbi 15m (£1.6m) was drawn down as at 30 June 2016. The loan is secured against cash deposits in Hong Kong.

10 Related party transactions

There have been no related party transactions or changes in the related party relationships, described in the latest Annual Report and Accounts, that have had a material effect on the financial position or performance of the Group in the first six months of the financial year.

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
27 July 2016

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 2016 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, 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 Auditing Practices Board. 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

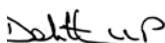
Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

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 Auditing Practices Board 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 2016 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

Chartered Accountants and Statutory Auditor
London, United Kingdom
27 July 2016

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