

11 October 2022

ROBERT WALTERS PLC

(the 'Company' or the 'Group')

Trading update for the third quarter ended 30 September 2022**STRONG PERFORMANCE. NET FEE INCOME UP 18%*****Financial and operational highlights**

Gross profit (Net fee income)	Q3 2022	Q3 2021	% change	% change (constant currency [*])
Group	£112.0m	£91.8m	22%	18%
Asia Pacific	£53.6m	£44.4m	21%	16%
Europe	£30.1m	£22.7m	33%	32%
UK	£17.6m	£18.7m	(6%)	(6%)
Other International	£10.7m	£6.0m	78%	53%

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

Group highlights

- Group net fee income grew 18%* (22% actual) year-on-year with all forms of recruitment – permanent, contract, interim and recruitment process outsourcing - delivering growth through the period.
- 84% (2021: 80%) of the Group's net fee income is now generated by our international businesses.
- Investment in the opening of two new offices – Austin and Berlin.
- Headcount up 5% quarter-on-quarter to 4,267 (30 June 2022: 4,051).
- During the quarter, the Group purchased and cancelled 1,336,062 shares at an average price of £4.90 for £6.6m.
- Strong balance sheet with net cash of £93.5m as at 30 September 2022 (30 September 2021: £112.8m).

Regional highlights

- Asia Pacific net fee income up 16%* (21% actual) to £53.6m (2021: £44.4m).
 - Japan and Australia, the region's largest businesses, increased net fee income by 23%* and 16%* respectively.
 - Elsewhere across the region, the strongest rates of net fee income growth came from Taiwan (up 46%*), Indonesia (up 45%*), Thailand (up 32%*) and New Zealand (up 29%*).
 - Net fee income in Mainland China declined 25%* year-on-year with market conditions impacted by recent strict Covid lockdowns.
 - Record Resource Solutions performance.
- Europe net fee income up 32%* (33% actual) to £30.1m (2021: £22.7m).
 - Strong performance across the region with eight out of nine markets delivering double-digit net fee income growth.
 - France, the Netherlands and Spain, the region's largest businesses, increased net fee income by 36%*, 37%* and 28%* respectively.
 - Germany continues to grow strongly and recently opened business in Italy has started well.
- UK net fee income down 6% year-on-year, against tough year-on-year comparatives, to £17.6m (2021: £18.7m).
 - Rebound in financial services recruitment activity continued through the quarter. Commerce finance recruitment activity also grew strongly year-on-year.
 - More challenging market conditions across both technology recruitment and Resource Solutions resulted in a moderate decline in net fee income year-on-year.
- Other International (the Americas, South Africa and the Middle East) net fee income up 53%* (78% actual) to £10.7m (2021: £6.0m).
 - Good growth across South America with all markets growing net fee income in excess of 45%* year-on-year.
 - In the Middle East, net fee income was up 59%*.

Robert Walters, Chief Executive, commented:

“The macro-economic backdrop became more uncertain as the quarter progressed. Nevertheless, job flow remained largely strong, candidate shortages remained acute, wage inflation continued to grow; and Group net fee income increased by 18% year-on-year.*

“84% of the Group’s net fee income is now generated by our international businesses. Asia Pacific and Europe, the Group’s largest regions, continued to produce good growth and it’s also been encouraging to see our smaller businesses across the Americas and Middle East delivering strong results. The more volatile political and economic backdrop in the UK has impacted local market confidence, resulting in a decline in UK net fee income year-on-year.

“Profit for the full year is expected to be in line with current market expectations.”

The Group will publish a trading update for the fourth quarter ending 31 December 2022 on 10 January 2023.

– Ends –

Further information

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About Robert Walters Group

The Robert Walters Group is a market-leading international specialist professional recruitment group with over 4,200 staff spanning 31 countries. We specialise in the placement of the highest calibre professionals across the disciplines of accountancy and finance, banking, engineering, HR, healthcare, IT, legal, sales, marketing, secretarial and support and supply chain, logistics 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.

www.robertwaltersgroup.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.