

A blurred background image of a modern office hallway with large windows and people walking. A semi-transparent red rectangle is overlaid on the center of the image, containing the main title and subtitle.

# HALF YEAR RESULTS PRESENTATION 2018

RESULTS FOR THE SIX MONTHS ENDED 31 MAY 2018

s|three 

# 2018 Overview

- Encouraging first half performance with accelerated momentum in Q2
- Adjusted operating profit +6% to £20.4m (+6%\* at constant currency)
- GP up 11%\* YoY and up 10% on a reported basis
- Growth in GP driven by Continental Europe (+18%\*) and USA (+9%\*)
- 82% of GP now generated outside UK&I (FY 2017: 81%)
- Double digit growth in Contract GP up 14%\* YoY and Contract now accounts for 72% of Group GP (FY 2017: 71%)
- Permanent GP up 4%\* YoY with improved productivity, up 3%\* YoY
- Move of London-based support functions to Glasgow progressing to plan
- Interim dividend maintained

*\*Growth is at constant currency*

*Note 1: 2018 figures are adjusted for the impact of £2.4m of costs in relation to the relocation of London based support functions*

# FINANCIAL RESULTS

# FINANCIAL HIGHLIGHTS

	<i>Adjusted</i> <b>HY 2018</b>	<i>As Reported</i> <b>HY 2018</b>	<i>As Reported</i> <b>HY 2017</b>	<i>Adjusted</i> <b>Actual Growth</b>	<i>As Reported</i> <b>Actual Growth</b>	<i>Adjusted</i> <b>CC Growth*</b>
Revenue	£585.9m	£585.9m	£521.0m	+12%	+12%	+14%
Contract gross profit	£106.7m	£106.7m	£94.2m	+13%	+13%	+14%
Permanent gross profit	£41.7m	£41.7m	£40.2m	+4%	+4%	+4%
<b>Total gross profit</b>	<b>£148.4m</b>	<b>£148.4m</b>	<b>£134.4m</b>	<b>+10%</b>	<b>+10%</b>	<b>+11%</b>
<b>Operating profit</b>	<b>£20.4m</b>	<b>£18.0m</b>	<b>£19.3m</b>	<b>+6%</b>	<b>-7%</b>	<b>+6%</b>
Conversion ratio	13.7%	12.1%	14.4%	-0.7%pts	-2.3%pts	-0.7%pts
<b>Profit before tax</b>	<b>£20.3m</b>	<b>£17.8m</b>	<b>£19.2m</b>	<b>+6%</b>	<b>-7%</b>	<b>+6%</b>
Taxation	(£5.3m)	(£4.8m)	(£5.0m)	+6%	-3%	
<b>Profit after tax</b>	<b>£15.0m</b>	<b>£13.0m</b>	<b>£14.2m</b>	<b>+5%</b>	<b>-9%</b>	<b>+6%</b>
Basic earnings per share	11.6p	10.1p	11.0p	+5%	(9%)	+5%
Interim dividend per share	4.7p	4.7p	4.7p			
Net (debt)/cash	(£6.2m)	(£6.2m)	£5.2m			

\*Growth is at constant currency, on an adjusted basis

Note 1: Conversion ratio = operating profit expressed as a % of gross profit

Note 2: 2018 figures are adjusted for the impact of £2.4m of costs in relation to the relocation of London based support functions

# BALANCE SHEET

	30 May 2018	30 November 2017
Intangible assets	£10.5m	£11.4m
Property, plant & equipment	£7.1m	£6.7m
Investments	£1.9m	£1.8m
Deferred tax assets	£3.6m	£4.2m
Net working capital	£71.9m	£67.0m
Provisions	(£13.6m)	(£14.5m)
Net current tax assets/(liabilities)	£2.0m	(£1.5m)
	<b>£83.4m</b>	<b>£75.1m</b>
Net (debt)/cash	(£6.2m)	£5.6m
Net assets	<b>£77.2m</b>	<b>£80.7m</b>

## Investments

Investments in external innovation start ups

## Net Working Capital

Increase due to growth in Contract runner book and seasonal phasing of payments and receipts

## Tax

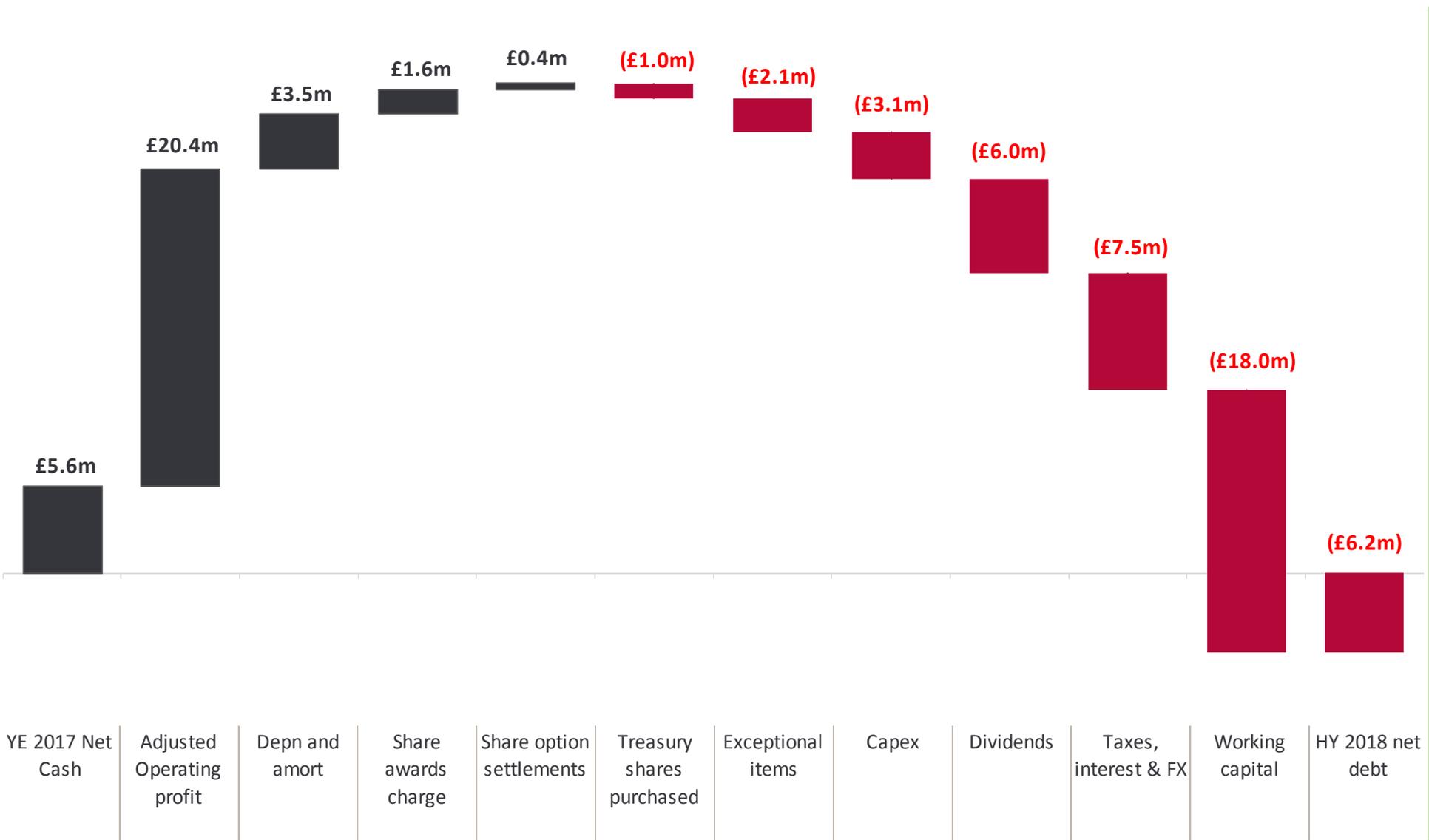
Payments in advance of the current tax charge

## Net Debt

£50m revolving credit facility ('RCF') with Citibank and HSBC, committed to May 2023

**A robust balance sheet**

# CASH FLOW BRIDGE



# LONDON BASED SUPPORT RELOCATION

Exceptional Charge	£m's
People and other costs	£13m - £14m
Property costs	£1m
<b>Total</b>	<b>£14m - £15m</b>
<b>Less: Regional Development Grant</b>	<b>c.£2m</b>
<b>Total Exceptional Cost</b>	<b>£12m - £13m</b>

**c250 Roles\* proposed for relocation**

**Simple Payback of c3 years**

**c£4m-£5m annualised benefit**

**Net Cash outflow of c£12m to £13m in 2018 (2017: £1m)**

**Restructuring costs of c£9m\*\* recognised as exceptional items to date, with £2.4m in H1 2018. Costs of c£5m - £6m are expected in the second half of 2018**

\*Includes IT, Finance, Marketing and HR  
 \*\*Restructuring costs of £6.7m recognised as exceptional in 2017 plus £2.4m in H1 2018 gives cumulative restructuring costs of c£9m  
 CAPEX of c£1m is excluded from the exceptional charge analysis

# EARNINGS PER SHARE AND DIVIDENDS

		<i>Adjusted</i>	<i>As Reported</i>	<i>As Reported</i>	<i>Adjusted</i>	<i>As Reported</i>
		<b>HY 2018</b>	<b>HY 2018</b>	<b>HY 2017</b>	<b>Actual Growth</b>	<b>Actual Growth</b>
<b>Profit after tax</b>		<b>£15.0m</b>	<b>£13.0m</b>	<b>£14.2m</b>	<b>+5%</b>	<b>-9%</b>
<b>Weighted average number of shares</b>	For basic EPS	128.7m	128.7m	128.7m		
	Dilutive impact of share plans	5.9m	5.9m	4.7m		
	<b>Fully diluted EPS</b>	<b>134.6m</b>	<b>134.6m</b>	<b>133.4m</b>		
<b>EPS</b>	<b>Basic</b>	<b>11.6p</b>	<b>10.1p</b>	<b>11.0p</b>	<b>+5%</b>	<b>-9%</b>
	<b>Diluted</b>	<b>11.1p</b>	<b>9.6p</b>	<b>10.6p</b>	<b>+5%</b>	<b>-9%</b>
<b>DPS</b>	<b>Interim Ordinary</b>	<b>4.7p</b>	<b>4.7p</b>	<b>4.7p</b>	<b>-</b>	<b>-</b>

**Dividends maintained YoY**

Note 1: 2018 figures are adjusted for the impact of £2.4m of costs in relation to the relocation of London based support functions, net of tax

# FOREIGN EXCHANGE IMPACT

	Six months ended 31 May 2018		Six months ended 31 May 2017		YoY Exchange Rate Movement	
	Average	Closing	Average	Closing	Average	Closing
EUR €	1.14	1.14	1.18	1.15	+3.5%	+0.7%
USD \$	1.38	1.33	1.25	1.29	-9.9%	-3.2%

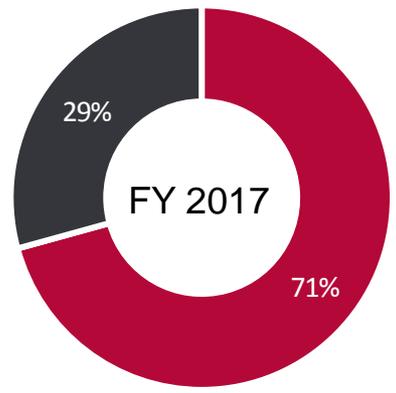
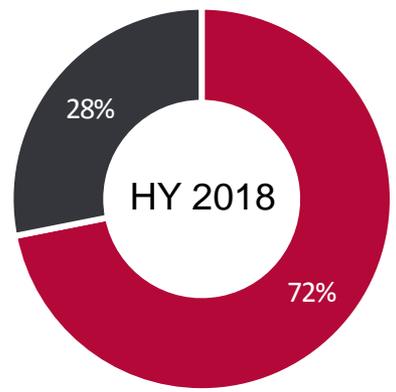
	Six months ended 31 May 2018		Six months ended 31 May 2017		
	Gross Profit	Operating Profit	Gross Profit	Operating Profit	
EUR €	£846k	£236k	£698k	£208k	<i>Impact of a 1% change</i>
USD \$	£294k	£72k	£297k	£78k	

**For HY 2018, currency movement versus Sterling had minimal impact on the reported performance. Movements in exchange rates decreased our reported HY 2018 GP by c£0.7m and OP by £0.1m**

# OPERATING REVIEW

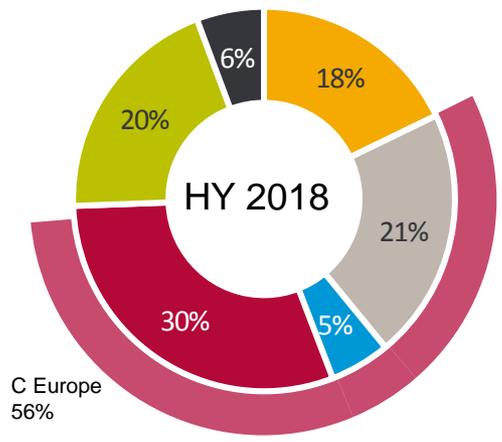
# BUSINESS PROFILE

**DIVISION DIVERSIFICATION**

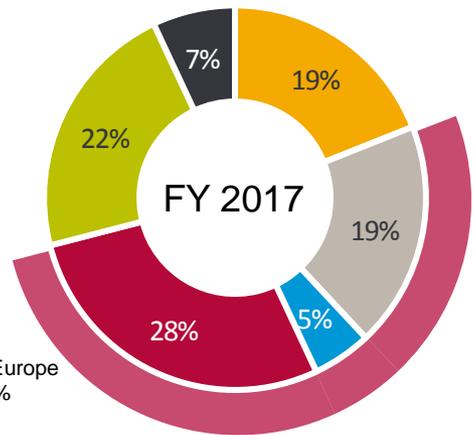


- Cont
- Perm

**GEOGRAPHICAL DIVERSIFICATION**



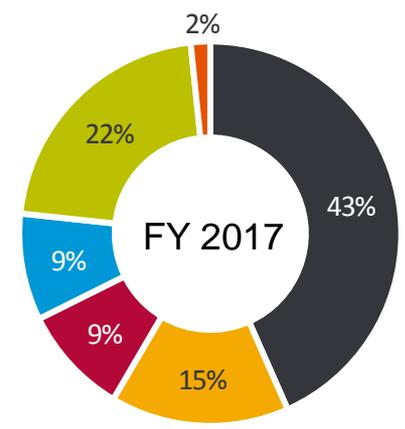
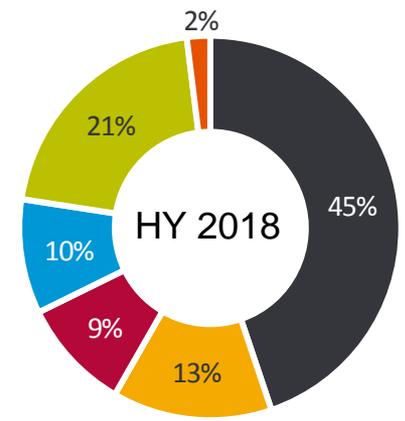
C Europe  
56%



C Europe  
52%

- UK&I
- France
- USA
- Benelux
- DACH
- APAC & ME

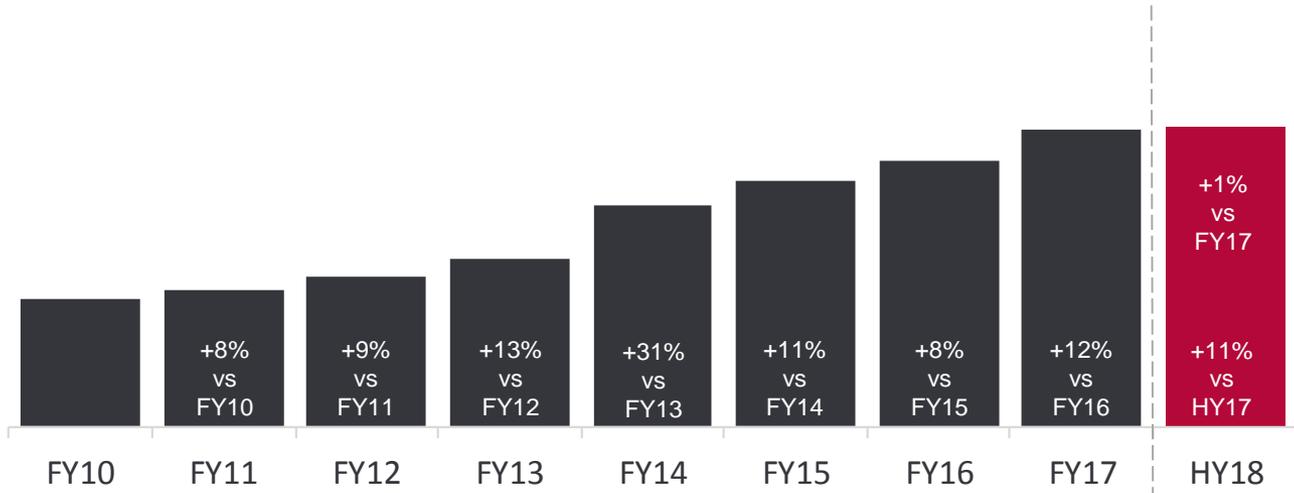
**SECTOR DIVERSIFICATION**



- ICT
- Banking & Finance
- Energy
- Engineering
- Life Sciences
- Other

# KEY PERFORMANCE INDICATORS: CONTRACT

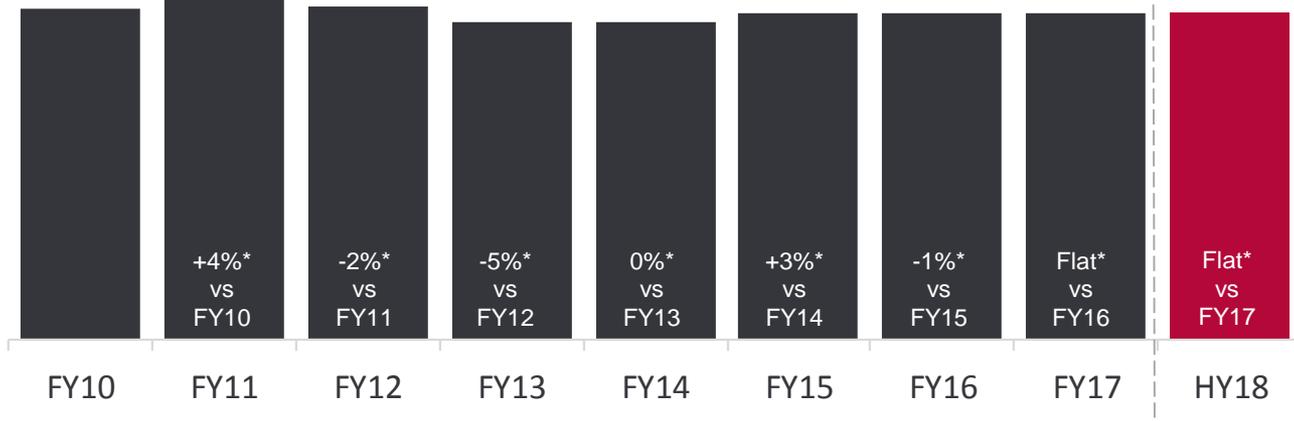
## CONTRACT RUNNERS



## Contract margin %

HY 2018 19.6%  
HY 2017 19.6%

## GROSS PROFIT PER DAY RATE

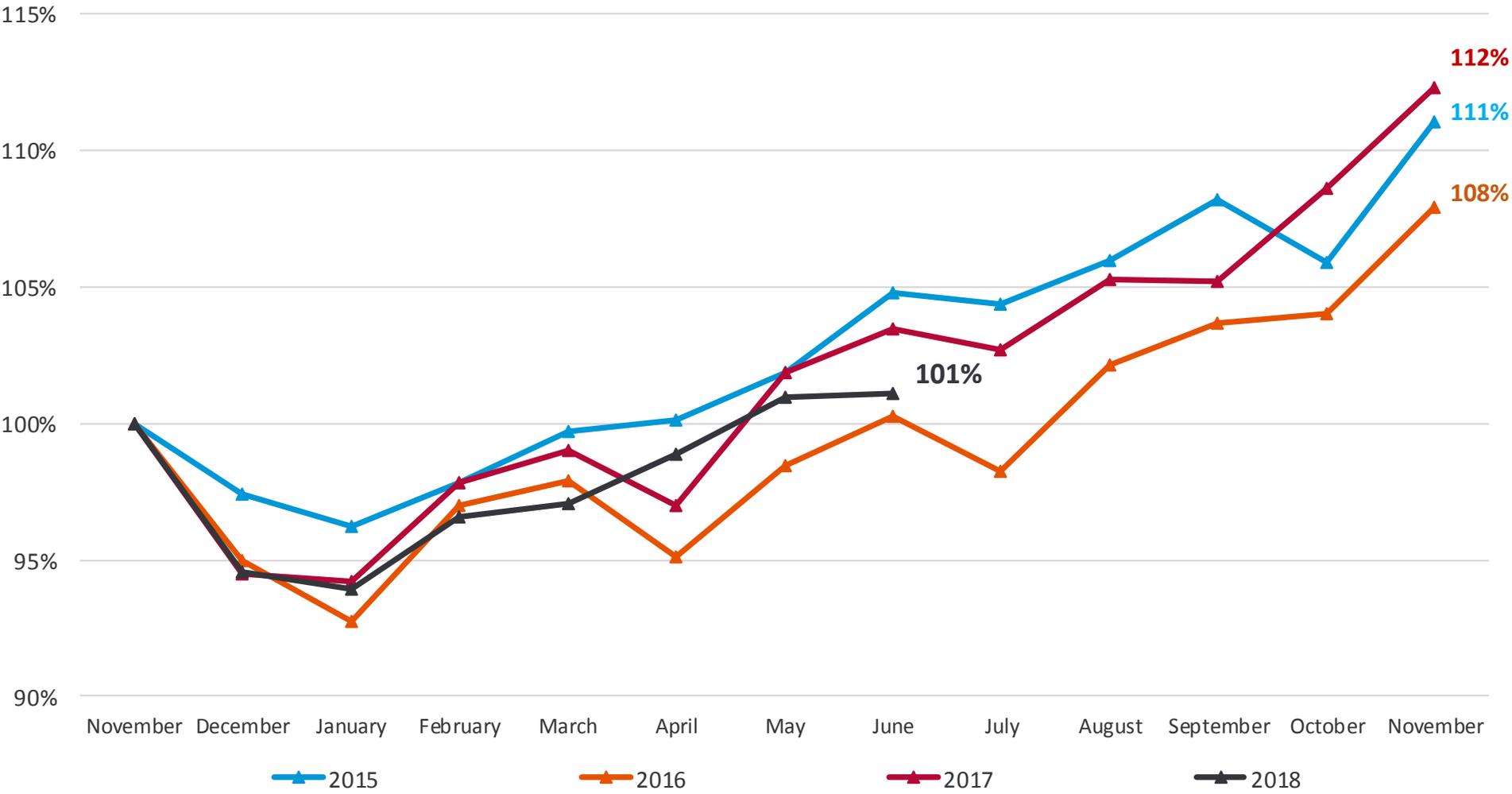


**Contract runners have doubled since 2012**

\* Growth is at constant currency  
 Note 1: All numbers are period end  
 Note 2: Contractors are those on placement with one of the Group's clients at the end of the relevant period

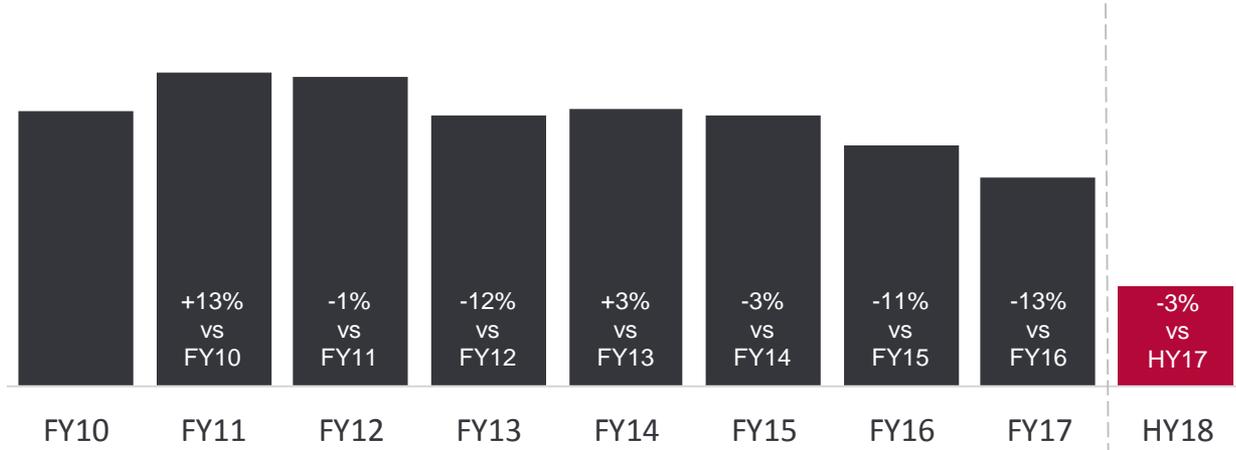
Note 3: The average gross profit per day per contractor is calculated by taking the period end Total Runner Weekly Gross Profit position, divided by the period end number of active contractors, divided by 5 (assuming a 5 day working week)

# CONTRACT RUNNERS – COMPARISON TO PRIOR YEARS



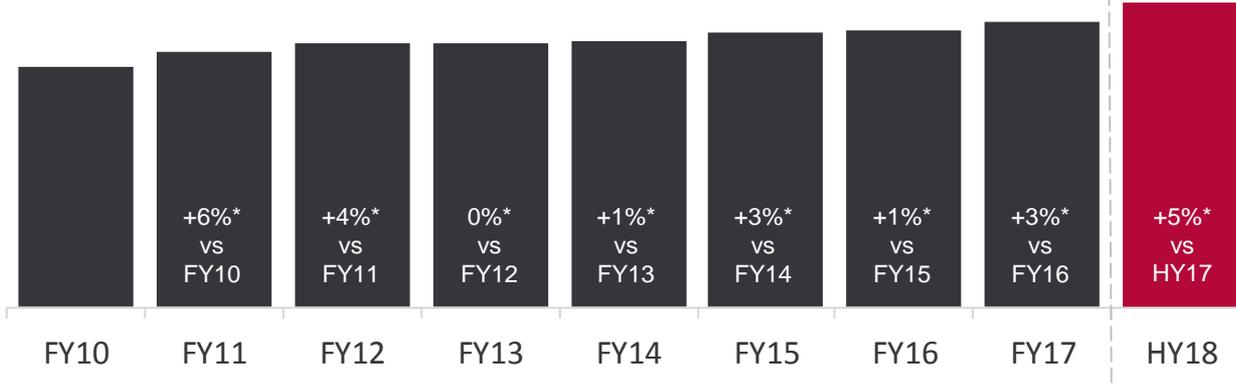
# KEY PERFORMANCE INDICATORS: PERMANENT

PERMANENT  
PLACEMENT  
VOLUMES



Placement  
volumes down  
3% YoY

PERMANENT  
AVERAGE FEE



Average fee  
up 5%\* YoY

**We have seen an improvement in average fee, up 5%\* YoY**

\* Growth in constant currency  
 Note 1: The average permanent placement fee is calculated using the total placement fees for the relevant period, divided by the number of placements for the period  
 Note 2: This analysis excludes retained business

Note 3: 2014 data is adjusted due to timing of period ends (an additional 45 placements in Germany)  
 Note 4: 2013 data is based on a normalised 52 week period

# STRATEGY & OUTLOOK

Our purpose:

“We bring skilled people together  
to build the future”

Our vision:

To be the #1 STEM talent provider  
in the best STEM markets

Our operating principles:



# 5 year strategy to deliver our vision

Grow and extend regions, sectors and services

Develop and sustain great customer relationships

Focus on Contract, drive Permanent profitability

Generate incremental revenues through innovation and M&A

Build infrastructure for leveraged growth

Find, retain and develop great people

# 2018 PROGRESS

## Progress against our strategic priorities

### Grow and extend regions, sectors and services

- Opened two new offices in Eindhoven (Netherlands) and Washington (USA)
- Group average sales headcount up 10% YoY

### Develop and sustain great customer relationships

- Rolling out our new contractor timesheet portal, Workflow
- Unique position to service MSPs

### Focus on Contract, drive Permanent profitability

- Contract runners have doubled since 2012, with runners at an all time high
- Continue to invest in a strong permanent offering in key markets such as Germany, USA & Japan
- Permanent productivity up 3%\* YoY
- Completed separate management structures for Permanent & Contract business to improve focus and drive profitability

### Generate incremental revenues through Innovation and M&A

- Leverage our existing innovation investments and launch additional ventures incubated within Sthree
- Extensive innovation within the core business

### Build infrastructure for leveraged growth

- Move of London-based support functions to Glasgow progressing to plan

### Find, retain and develop great people

- Completed first cohort of future female leadership development programme
- Rolled out our operating principles throughout the organisation and leadership principles in progress

\* Growth in constant currency

# INNOVATION

## Customer proposition

## New revenue streams

### Core efficiency

### Risk management

### Buy



RightStaff

ROBO RECRUITER

The Sandpit

### Build



showcaser

TALENTDECK  
YOUR NEEDS. MATCHED.

HireFirst.

WORKFLOW  
Contractor Timesheets

### Rent



Xactly  
Inspire Performance

salesforce marketing cloud

kyriba

volcanic

applii

7

Velocity

Fluent IQ

FinancialForce

XING

broadbean technology

salesforce

Rimi Street

WE SEEK TROUBLE

sage People

LinkedIn

Expect to spend £3m on “Build” innovation in operating expenses in 2018 (2017: £2m)

# OUTLOOK

- Trading outlook remains encouraging as we enter the second half
- Continued headcount investment, with particular focus on more resilient Contract market
- Ongoing focus on productivity in Permanent
- Continental Europe particularly well positioned for growth
- On track with the delivery of our five year plan outlined at the Capital Markets Day in November 2017

**To be the #1 STEM talent provider in the best STEM markets**

## 2018

<b>14 September</b>	<b>Q3 Trading Statement</b>
<b>1 November</b>	<b>Ex-dividend date for 2018 interim dividend</b>
<b>30 November</b>	<b>2018 Financial Year end</b>
<b>7 December</b>	<b>2018 Interim dividend paid</b>
<b>14 December</b>	<b>Trading update for the year ended 30 November 2018</b>

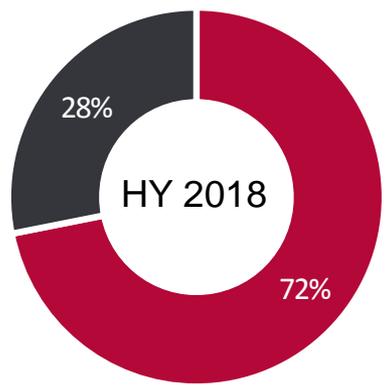
## 2019

<b>28 January</b>	<b>Annual results for the year ended 30 November 2018</b>
-------------------	---

# **SUPPLEMENTARY MATERIAL**

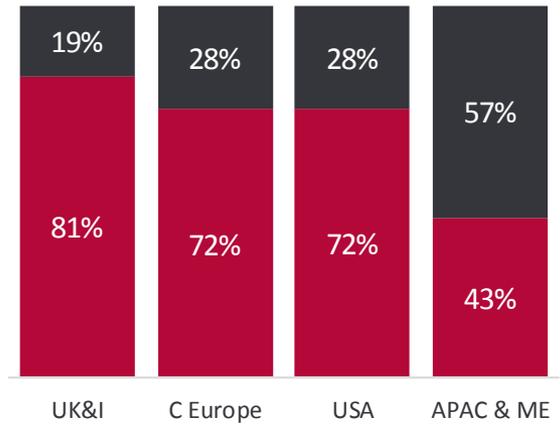
# CONTRACT / PERMANENT GROSS PROFIT ANALYSIS

**DIVISION**



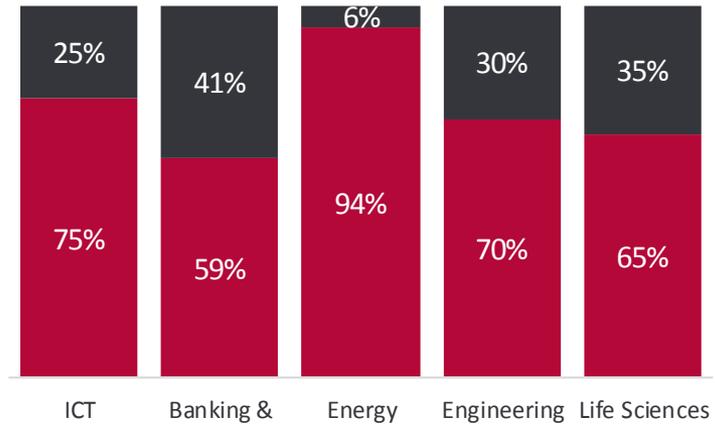
■ Cont  
■ Perm

**GEOGRAPHY**



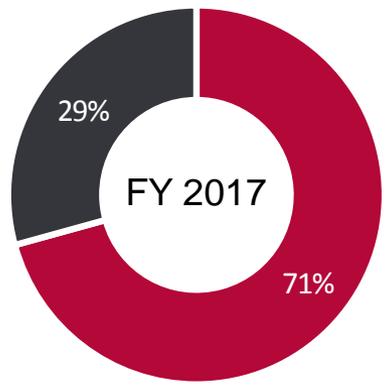
■ Cont ■ Perm

**SECTOR**

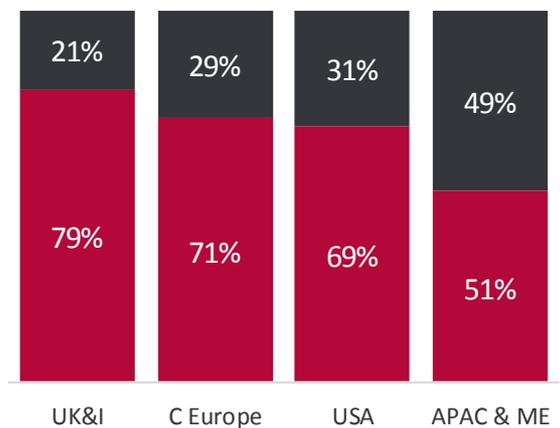


■ Cont ■ Perm

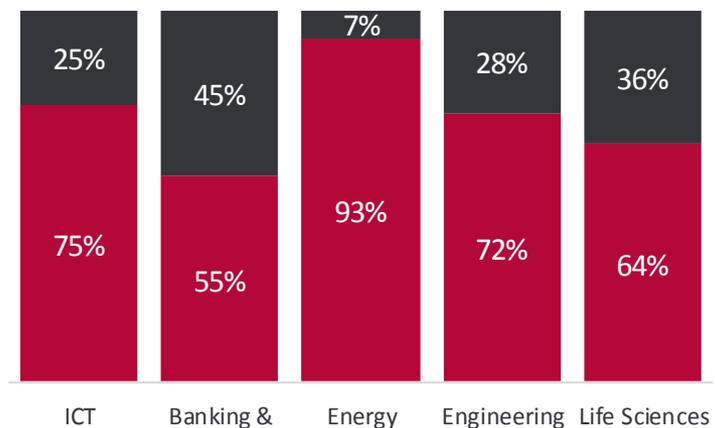
**FY 2017**



■ Cont  
■ Perm



■ Cont ■ Perm

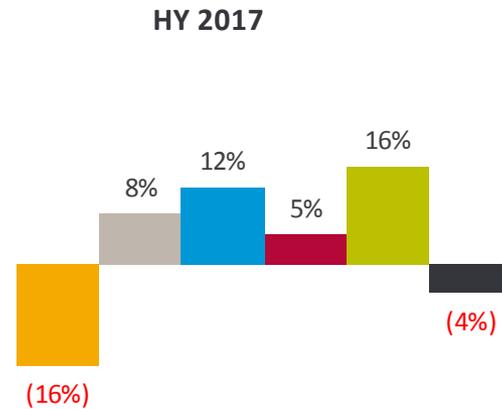
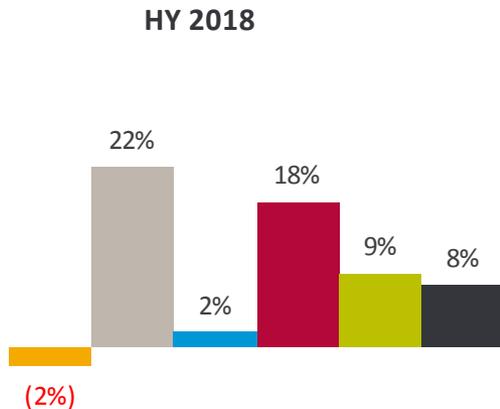


■ Cont ■ Perm

**Continued focus on growth in Contract across all regions and sectors**

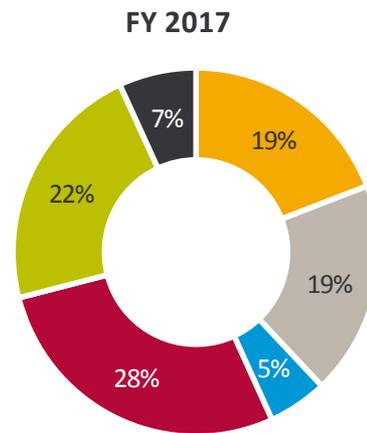
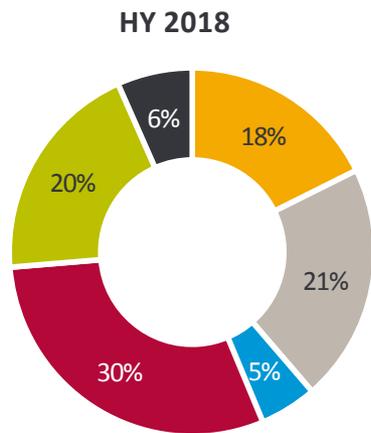
# GEOGRAPHICAL GROSS PROFIT ANALYSIS

## GROSS PROFIT GROWTH / (DECLINE) BY REGION\*

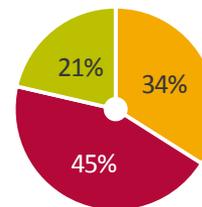
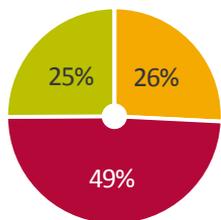


- UK&I
- Benelux
- France
- Germany
- USA
- APAC & ME

## GEOGRAPHICAL DIVERSIFICATION



## ASIA PACIFIC & MIDDLE EAST

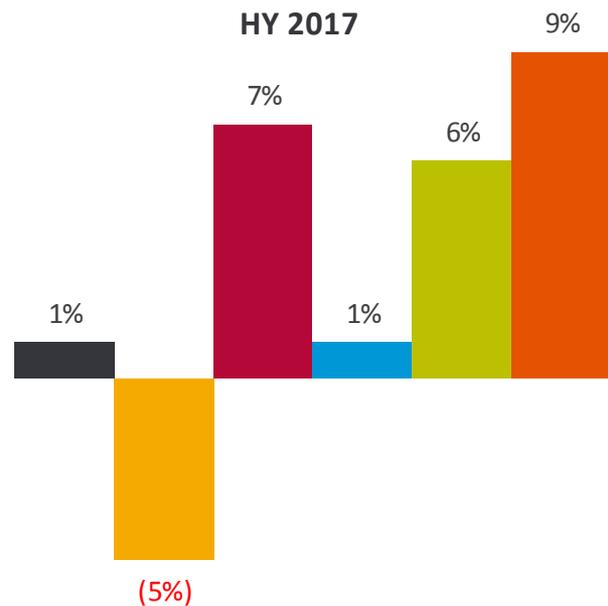
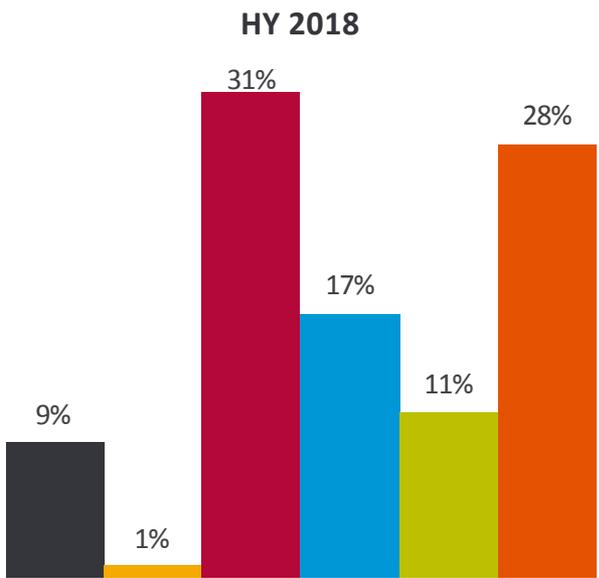


- Australia
- Asia
- Middle East

\* Growth is at constant currency

# SECTOR GROSS PROFIT ANALYSIS

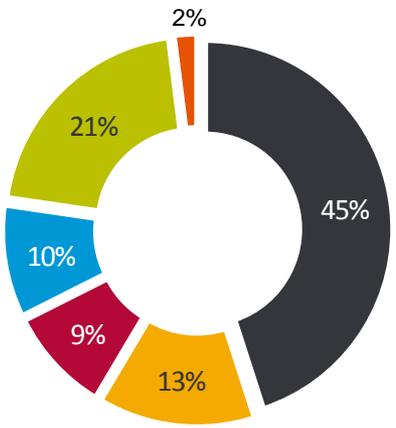
GROSS PROFIT GROWTH / (DECLINE) BY SECTOR\*



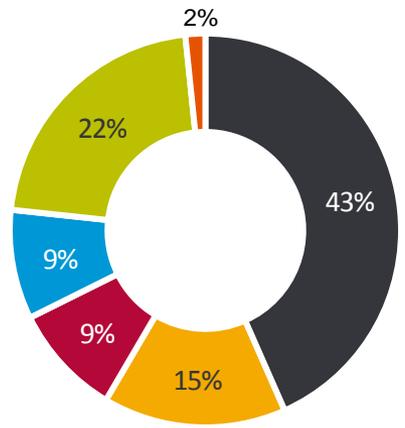
HY 2018

FY 2017

SECTORAL DIVERSIFICATION



- ICT
- Banking & Finance
- Energy
- Engineering
- Life Sciences
- Other



\* Growth is at constant currency

# GROSS PROFIT PERFORMANCE BY REGION

		GP Growth YoY			YTD 18		Sales FTE HC (SL1-SL5) Growth YoY				
		Cont	Perm	Total	Cont / Perm Mix		Cont	Perm	Total		
UK&I	Q1 18	-1%	-11%	-3%	Perm 19%	<p>18% of Group</p>	Cont 81%	Q1 18	+1%	-9%	-2%
	Q2 18	+3%	-17%	-2%				Q2 18	-1%	-22%	-8%
	HY18	+1%	-15%	-2%				HY18	-	-16%	-5%
C Europe	Q1 18	+19%	+6%	+15%	Perm 28%	<p>56% of group</p>	Cont 72%	Q1 18	+26%	+10%	+20%
	Q2 18	+23%	+13%	+20%				Q2 18	+21%	+9%	+17%
	HY18	+21%	+9%	+18%				HY18	+23%	+9%	+18%
USA	Q1 18	+10%	-18%	+1%	Perm 28%	<p>20% of Group</p>	Cont 72%	Q1 18	+16%	+16%	+16%
	Q2 18	+21%	+6%	+16%				Q2 18	+18%	+2%	+12%
	HY18	+16%	-5%	+9%				HY18	+17%	+9%	+14%
APAC & MENA	Q1 18	-12%	+44%	+15%	Perm 57%	<p>6% of group</p>	Cont 43%	Q1 18	+22%	-10%	+2%
	Q2 18	-14%	+18%	+1%				Q2 18	+6%	-8%	-3%
	HY18	-13%	+30%	+8%				HY18	+14%	-9%	-1%
GROUP	Q1 18	+11%	+2%	+8%	Perm 28%		Cont 72%	Q1 18	+17%	+4%	+12%
	Q2 18	+16%	+7%	+13%				Q2 18	+14%	-1%	+9%
	HY18	+14%	+4%	+11%				HY18	+16%	+1%	+10%

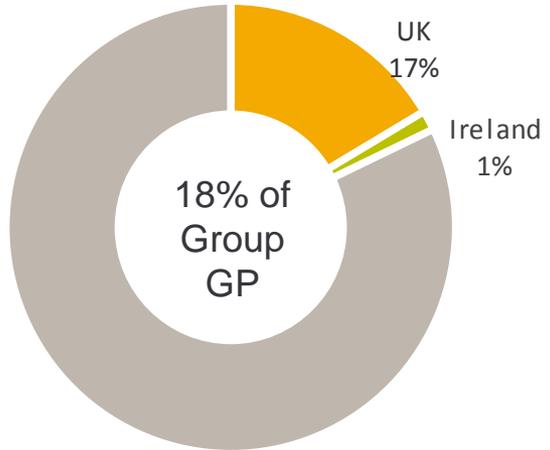
Note 1: GP Growth is at constant currency

# GROSS PROFIT PERFORMANCE BY SECTOR

		GP Growth YoY			YTD 18		Sales FTE HC (SL1-SL5) Growth YoY				
		Cont	Perm	Total	Cont / Perm Mix		Cont	Perm	Total		
ICT	Q1 18	+6%	-1%	+5%	Perm 25%	<p>45% of Group</p>	Cont 75%	Q1 18	+16%	+2%	+12%
	Q2 18	+13%	+11%	+13%				Q2 18	+11%	+3%	+9%
	HY18	+10%	+5%	+9%				HY18	+14%	+3%	+10%
BANKING & FINANCE	Q1 18	+8%	-10%	-	Perm 41%	<p>13% of group</p>	Cont 59%	Q1 18	-4%	-9%	-7%
	Q2 18	+7%	-5%	+1%				Q2 18	+1%	-13%	-6%
	HY18	+7%	-7%	+1%				HY18	-2%	-11%	-7%
ENERGY	Q1 18	+47%	-46%	+35%	Perm 6%	<p>9% of Group</p>	Cont 94%	Q1 18	+32%	-26%	+27%
	Q2 18	+27%	+54%	+28%				Q2 18	+31%	-25%	+26%
	HY18	+35%	-13%	+31%				HY18	+31%	-26%	+27%
ENGINEERING	Q1 18	+3%	+42%	+14%	Perm 30%	<p>10% of group</p>	Cont 70%	Q1 18	+15%	+8%	+12%
	Q2 18	+20%	+22%	+20%				Q2 18	+8%	+2%	+6%
	HY18	+12%	+32%	+17%				HY18	+11%	+5%	+9%
LIFE SCIENCES	Q1 18	+10%	+7%	+9%	Perm 35%	<p>21% of group</p>	Cont 65%	Q1 18	+25%	+15%	+21%
	Q2 18	+18%	+2%	+12%				Q2 18	+19%	-	+11%
	HY18	+14%	+5%	+11%				HY18	+22%	+8%	+16%

Note 1: GP Growth is at constant currency

# UK&I TRADING METRICS



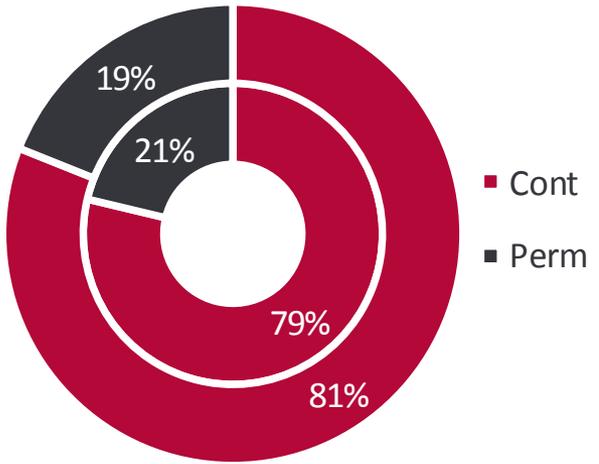
### HY GROSS PROFIT GROWTH YoY

	Q1	Q2	H1
Contract	-1%	+3%	+1%
Permanent	-11%	-17%	-15%
<b>Total</b>	<b>-3%</b>	<b>-2%</b>	<b>-2%</b>

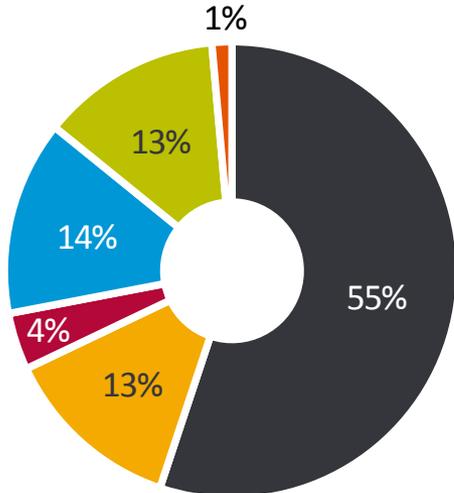
### OFFICES

MAY 18	8
MAY 17	8
YoY	0
NOV 17	8
vs Year End	0

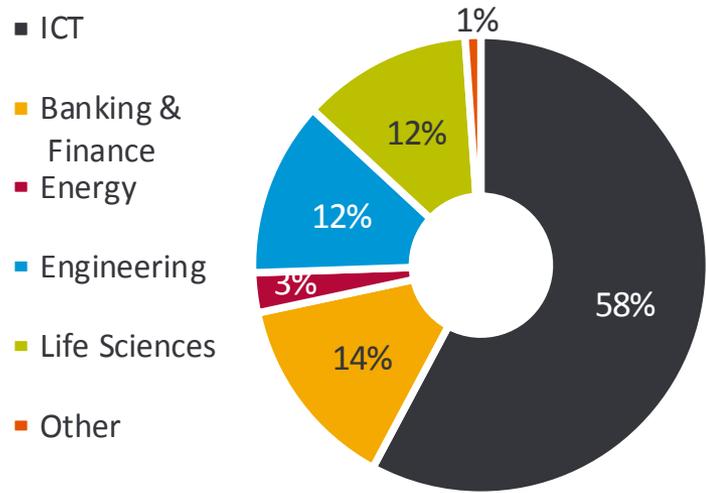
## DIVISION MIX



## SECTOR MIX HY 2018



## SECTOR MIX FY 2017

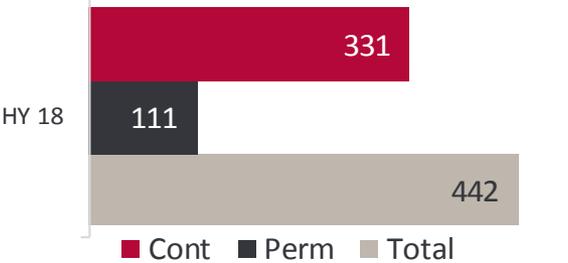


Outside HY2018; inside FY2017

Note 1: Growth is at constant currency  
 Note 2: Office count includes corporate function offices

# UK&I TRADING METRICS

## PERIOD END SALES HEADCOUNT



	Cont	Perm	Total
YoY	-2%	-30%	-11%

## CONTRACT RUNNERS



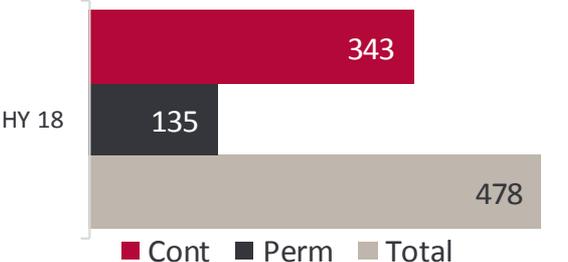
	YoY	vs Year End
	-2%	-6%

## PERMANENT PLACEMENTS\*



	YoY
	-14%

## AVERAGE SALES HEADCOUNT



	Cont	Perm	Total
YoY	-	-16%	-5%

## CONTRACT GROSS PROFIT PER DAY RATE<sub>1</sub>



	YoY	vs Year End	vs Group
	+4%	+1%	Below

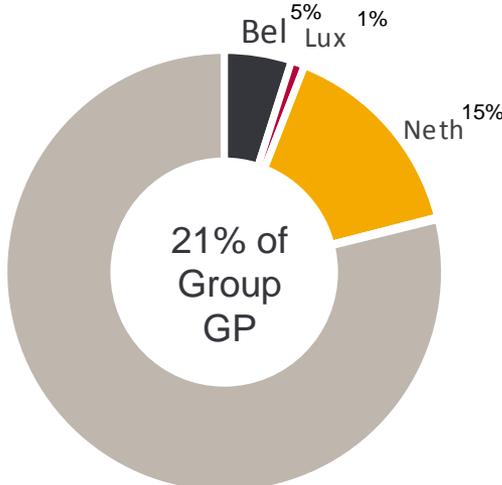
## PERMANENT PLACEMENT FEE\*<sub>1</sub>



	YoY	vs FY 17	vs Group
	-1%	-3%	Below

\* Excluding retained business  
 Note 1: Growth is at constant currency

# BENELUX TRADING METRICS



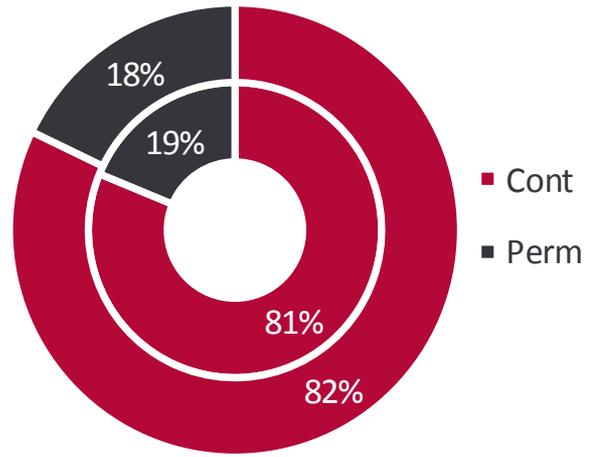
### HY GROSS PROFIT GROWTH YoY

	Q1	Q2	H1
Contract	+25%	+28%	+27%
Permanent	-6%	+16%	+4%
<b>Total</b>	<b>+18%</b>	<b>+26%</b>	<b>+22%</b>

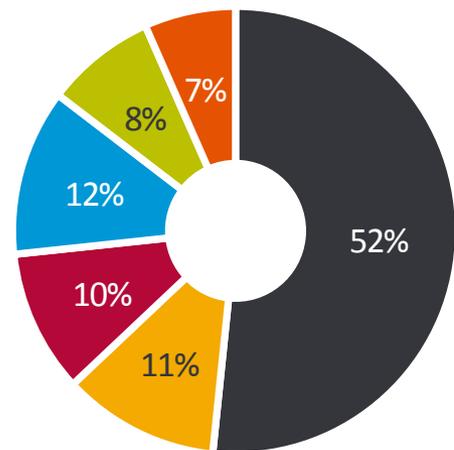
### OFFICES

MAY 18	8
MAY 17	6
YoY	2
NOV 17	7
vs Year End	1

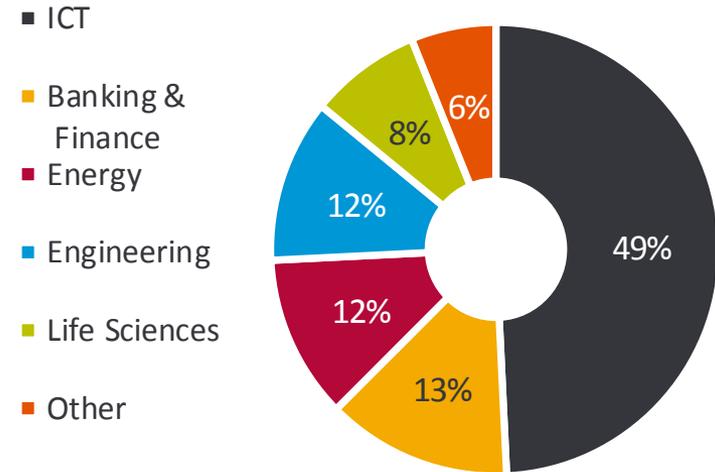
## DIVISION MIX



## SECTOR MIX HY 2018



## SECTOR MIX FY 2017

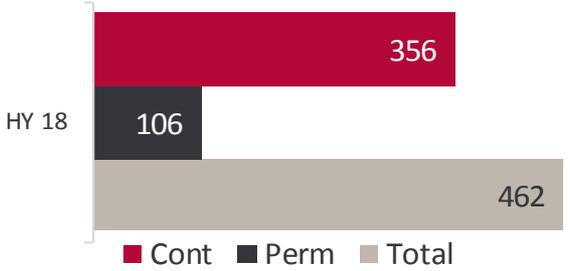


Outside HY 2018; inside FY 2017

Note 1: Growth is at constant currency  
 Note 2: Office count includes corporate function offices

# BENELUX TRADING METRICS

## PERIOD END SALES HEADCOUNT



	Cont	Perm	Total
<b>YoY</b>	+19%	+8%	+17%

## CONTRACT RUNNERS



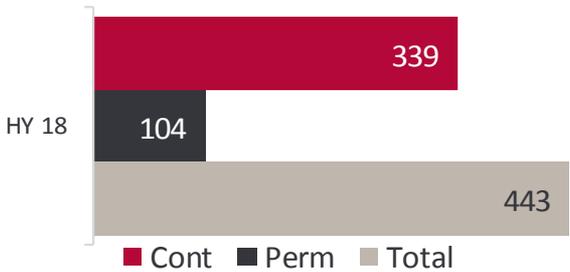
	YoY	vs Year End
<b>YoY</b>	+28%	+5%

## PERMANENT PLACEMENTS\*



	YoY
<b>YoY</b>	-1%

## AVERAGE SALES HEADCOUNT



	Cont	Perm	Total
<b>YoY</b>	+19%	+5%	+15%

## CONTRACT GROSS PROFIT PER DAY RATE<sub>1</sub>



	YoY	vs Year End	vs Group
<b>YoY</b>	-	-2%	Below

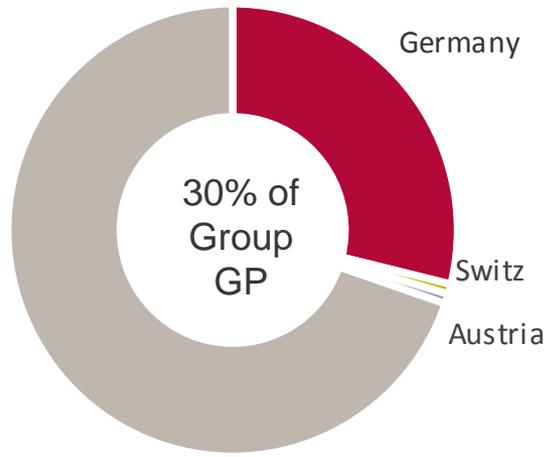
## PERMANENT PLACEMENT FEE\*<sub>1</sub>



	YoY	vs FY 17	vs Group
<b>YoY</b>	-	+2%	Below

\* Excluding retained business  
 Note 1: Growth is at constant currency

# DACH TRADING METRICS



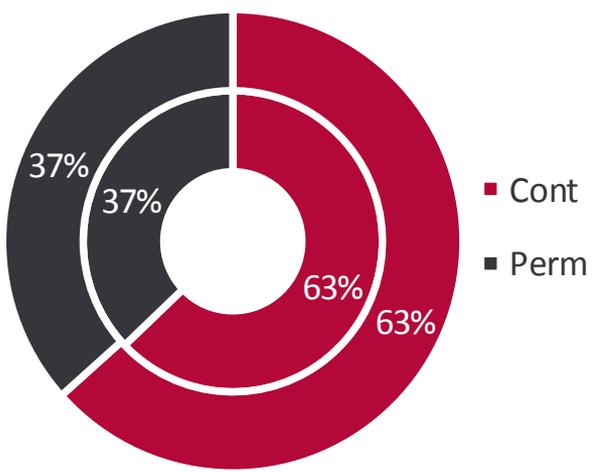
### HY GROSS PROFIT GROWTH YoY

	Q1	Q2	H1
Contract	+16%	+23%	+20%
Permanent	+13%	+16%	+15%
<b>Total</b>	<b>+15%</b>	<b>+21%</b>	<b>+18%</b>

### OFFICES

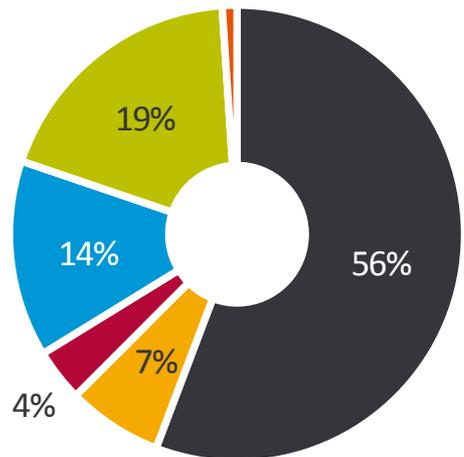
MAY 18	8
MAY 17	8
YoY	0
NOV 17	8
vs Year End	0

## DIVISION MIX

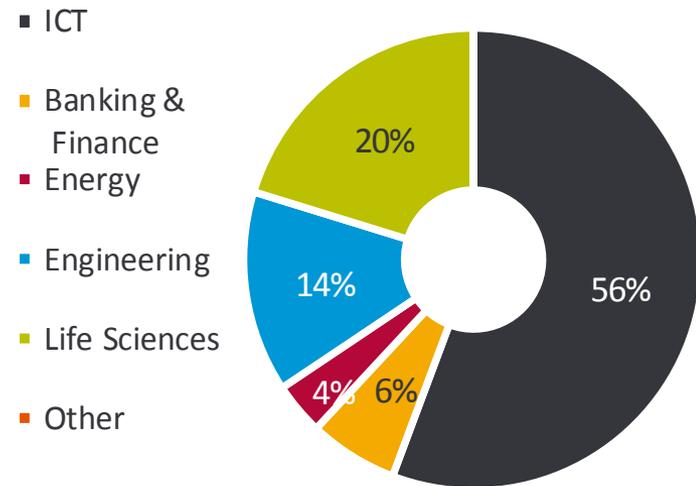


Outside HY2018; inside FY2017

## SECTOR MIX HY 2018



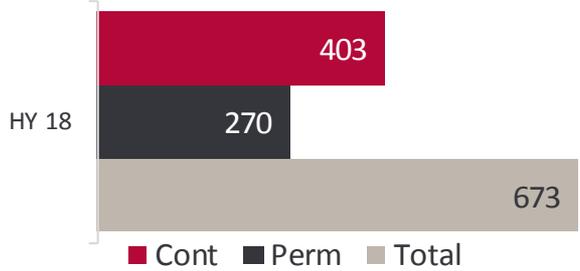
## SECTOR MIX FY 2017



Note 1: Growth is at constant currency  
 Note 2: Office count includes corporate function offices

# DACH TRADING METRICS

## PERIOD END SALES HEADCOUNT



	Cont	Perm	Total
YoY	+22%	+6%	+15%

## CONTRACT RUNNERS



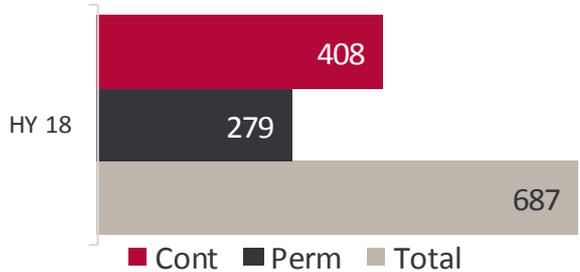
	YoY	vs Year End
HY 18	+24%	+6%

## PERMANENT PLACEMENTS\*



	YoY
HY 18	+6%

## AVERAGE SALES HEADCOUNT



	Cont	Perm	Total
YoY	+31%	+14%	+23%

## CONTRACT GROSS PROFIT PER DAY RATE<sub>1</sub>



	YoY	vs Year End	vs Group
HY 18	-1%	-3%	Above

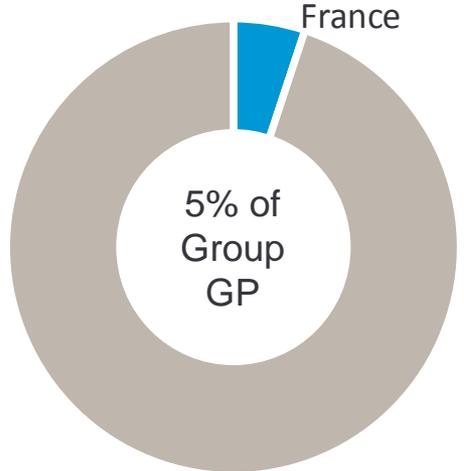
## PERMANENT PLACEMENT FEE\*<sub>1</sub>



	YoY	vs FY 17	vs Group
HY 18	+5%		
HY 17		+2%	
FY 17			Below

\* Excluding retained business  
 Note 1: Growth is at constant currency

# FRANCE TRADING METRICS



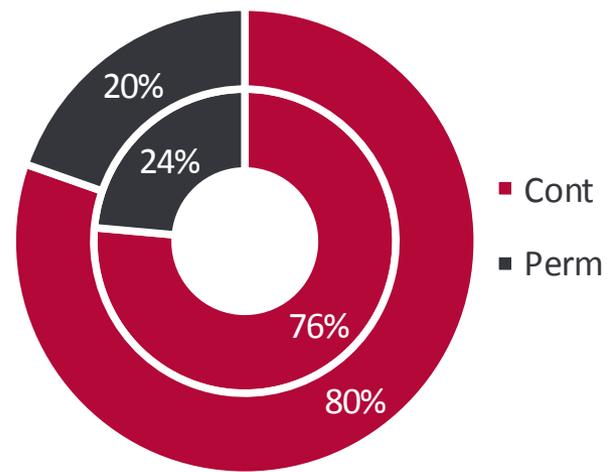
### HY GROSS PROFIT GROWTH YoY

	Q1	Q2	H1
Contract	+13%	+3%	+8%
Permanent	-12%	-25%	-18%
<b>Total</b>	<b>+7%</b>	<b>-3%</b>	<b>+2%</b>

### OFFICES

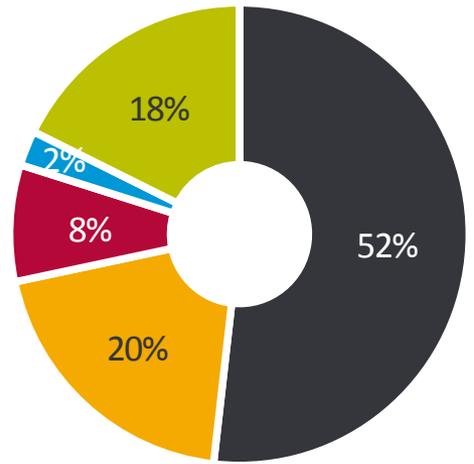
MAY 18	4
MAY 17	2
YoY	2
NOV 17	3
vs Year End	1

## DIVISION MIX



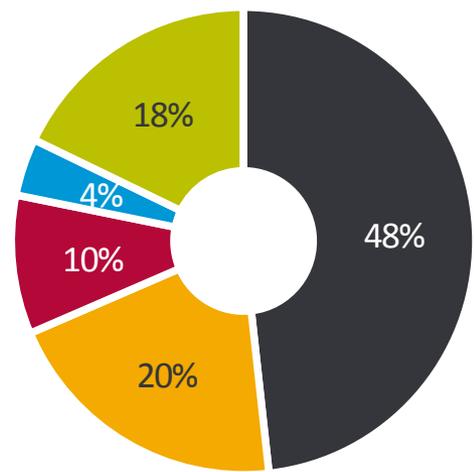
Outside HY 2018; inside FY 2017

## SECTOR MIX HY 2018



- ICT
- Banking & Finance
- Energy
- Engineering
- Life Sciences
- Other

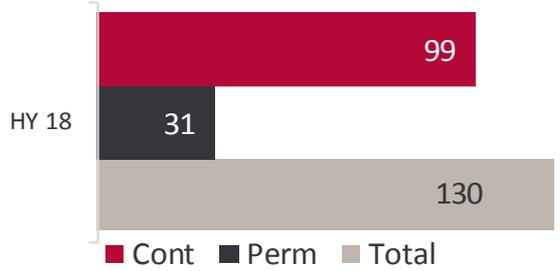
## SECTOR MIX FY 2017



Note 1: Growth is at constant currency  
 Note 2: Office count includes corporate function offices

# FRANCE TRADING METRICS

## PERIOD END SALES HEADCOUNT



	Cont	Perm	Total
YoY	+3%	-3%	+1%

## CONTRACT RUNNERS



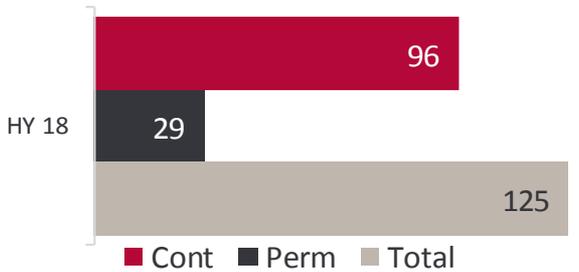
	YoY	vs Year End
HY 18	+3%	-3%

## PERMANENT PLACEMENTS\*



	YoY
HY 18	-11%

## AVERAGE SALES HEADCOUNT



	Cont	Perm	Total
YoY	+11%	-9%	+6%

## CONTRACT GROSS PROFIT PER DAY RATE<sub>1</sub>



	YoY	vs Year End	vs Group
HY 18	+1%	-	Below

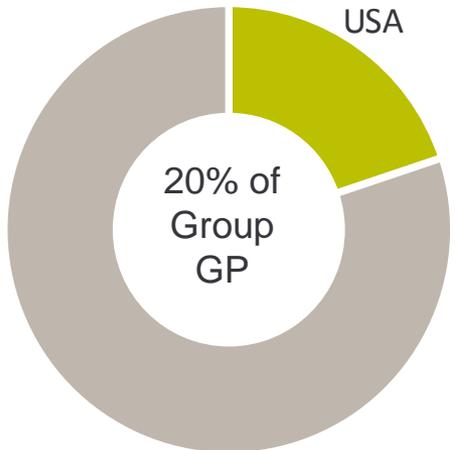
## PERMANENT PLACEMENT FEE\*<sub>1</sub>



	YoY	vs FY 17	vs Group
HY 18	-7%	-5%	Below

\* Excluding retained business  
 Note 1: Growth is at constant currency

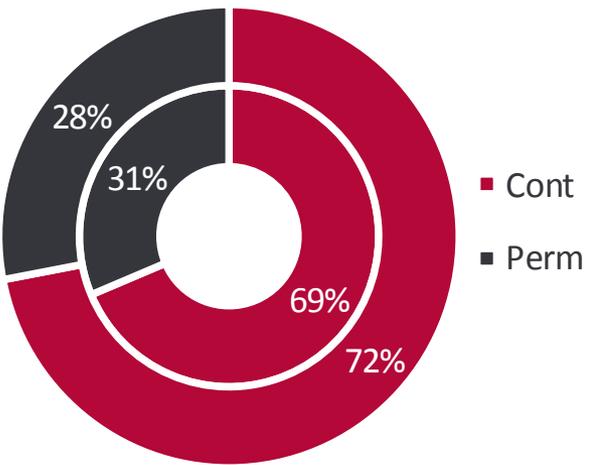
# USA TRADING METRICS



HY GROSS PROFIT GROWTH YoY			
	Q1	Q2	H1
Contract	+10%	+21%	+16%
Permanent	-18%	+6%	-5%
<b>Total</b>	<b>+1%</b>	<b>+16%</b>	<b>+9%</b>

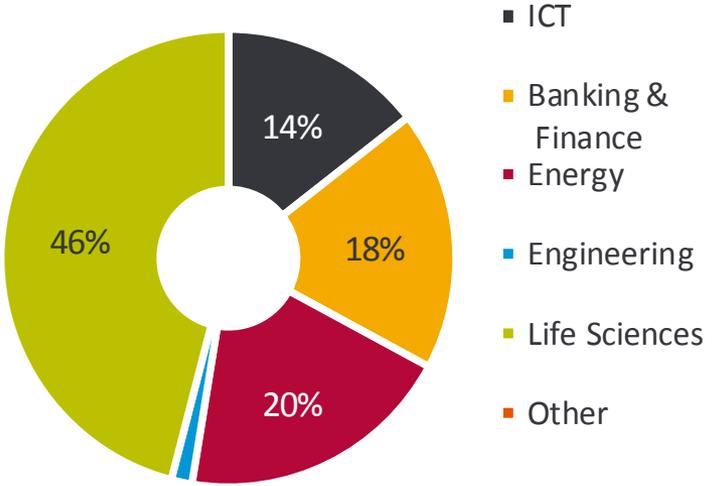
OFFICES	
MAY 18	9
MAY 17	8
YoY	1
NOV 17	8
vs Year End	1

## DIVISION MIX

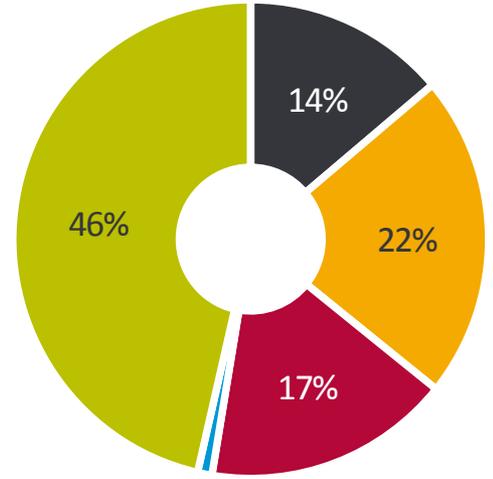


Outside HY 2018; inside FY 2017

## SECTOR MIX HY 2018



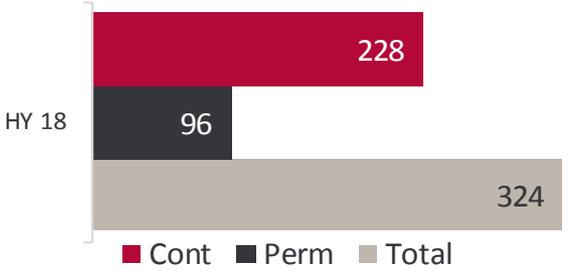
## SECTOR MIX FY 2017



Note 1: Growth is at constant currency  
 Note 2: Office count includes corporate function offices

# USA TRADING METRICS

## PERIOD END SALES HEADCOUNT



	Cont	Perm	Total
YoY	+13%	-	+9%

## CONTRACT RUNNERS



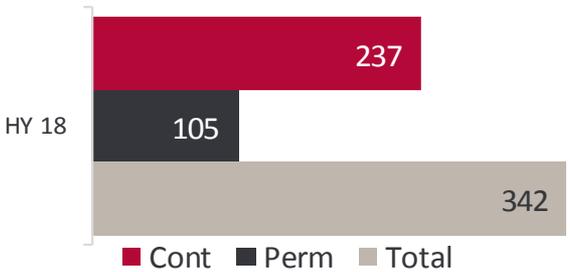
	YoY	vs Year End
HY 18	+1%	+1%

## PERMANENT PLACEMENTS\*



	YoY
HY 18	-19%

## AVERAGE SALES HEADCOUNT



	Cont	Perm	Total
YoY	+17%	+9%	+14%

## CONTRACT GROSS PROFIT PER DAY RATE<sub>1</sub>



	YoY	vs Year End	vs Group
HY 18	+14%	+3%	Above

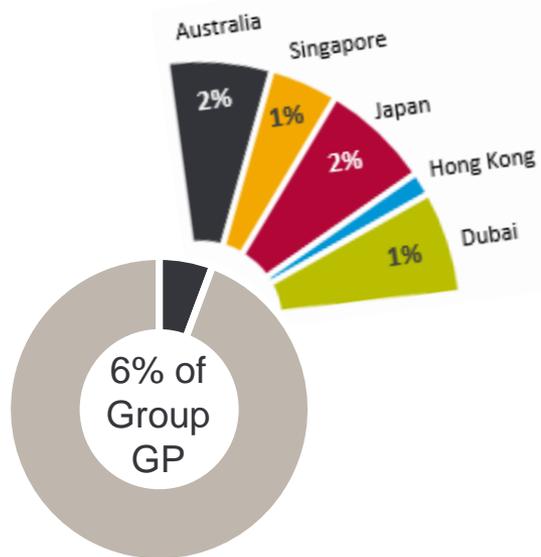
## PERMANENT PLACEMENT FEE\*<sub>1</sub>



	YoY	vs FY 17	vs Group
HY 18	+9%	+6%	Above

\* Excluding retained business  
 Note 1: Growth is at constant currency

# ASIA PACIFIC & MIDDLE EAST TRADING METRICS



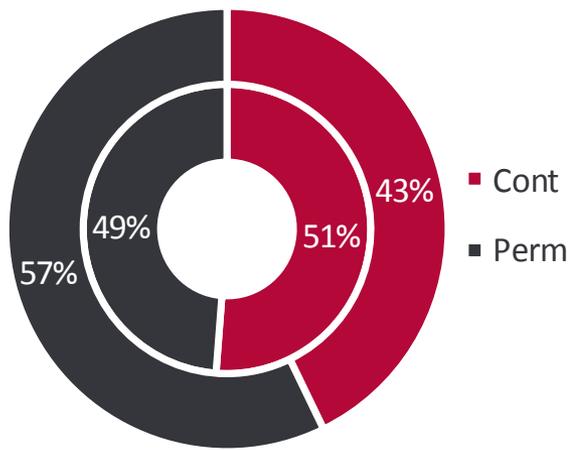
### HY GROSS PROFIT GROWTH YoY

	Q1	Q2	H1
Contract	-12%	-14%	-13%
Permanent	+44%	+18%	+30%
<b>Total</b>	<b>+15%</b>	<b>+1%</b>	<b>+8%</b>

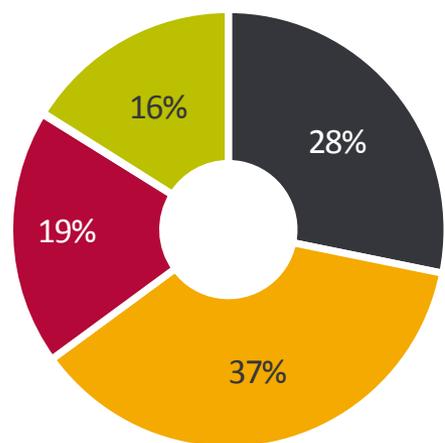
### OFFICES

MAY 18	6
MAY 17	6
YoY	0
NOV 17	6
vs Year End	0

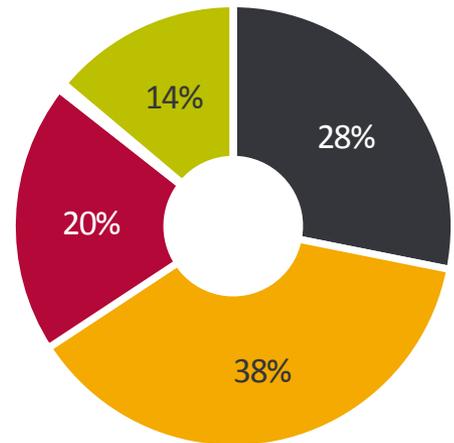
## DIVISION MIX



## SECTOR MIX HY 2018



## SECTOR MIX FY 2017



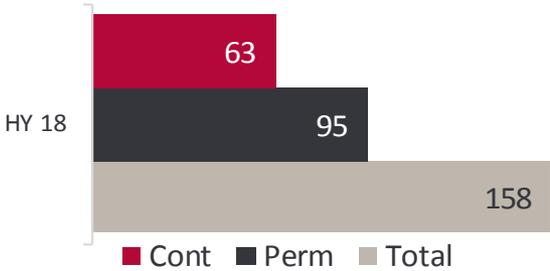
- ICT
- Banking & Finance
- Energy
- Engineering
- Life Sciences
- Other

Outside HY 2018; inside FY 2017

Note 1: Growth is at constant currency  
 Note 2: Office count includes corporate function offices

# ASIA PACIFIC & MIDDLE EAST TRADING METRICS

**PERIOD END SALES HEADCOUNT**



	Cont	Perm	Total
YoY	+2%	-4%	-1%

**CONTRACT RUNNERS**



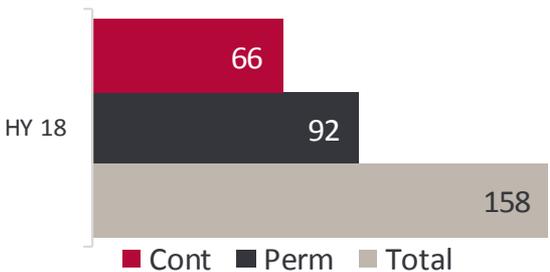
	YoY	vs Year End
	+2%	+1%

**PERMANENT PLACEMENTS\***



	YoY
	+23%

**AVERAGE SALES HEADCOUNT**



	Cont	Perm	Total
YoY	+14%	-9%	-1%

**CONTRACT GROSS PROFIT PER DAY RATE<sub>1</sub>**



	YoY	vs Year End	vs Group
	-2%	+4%	Below

**PERMANENT PLACEMENT FEE\*<sub>1</sub>**

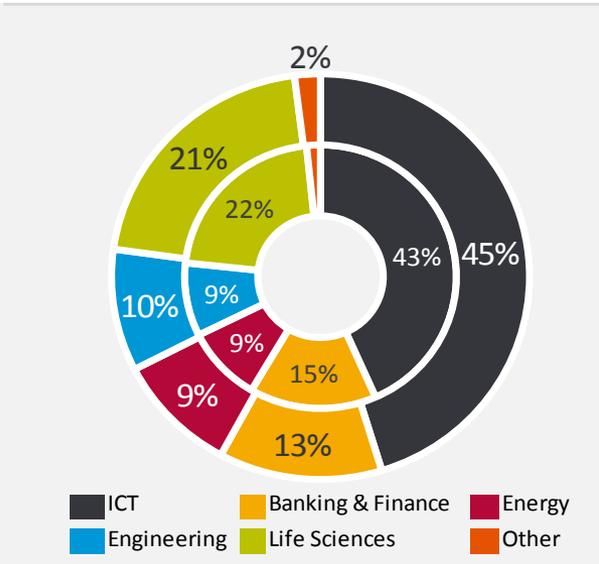


	YoY	vs FY 17	vs Group
	+11%	+11%	Above

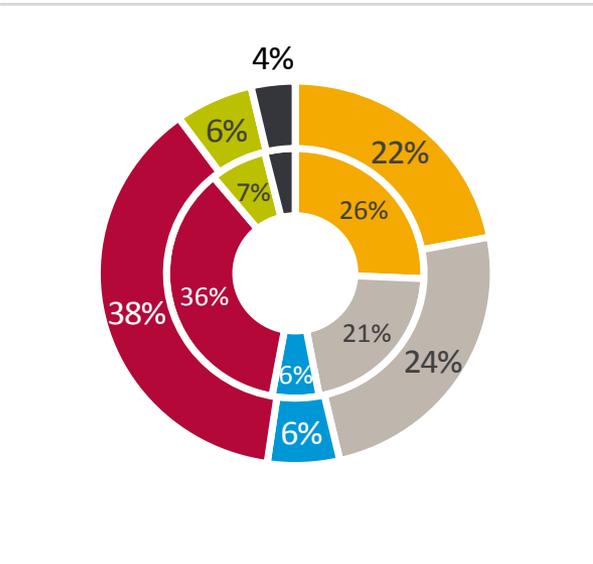
\* Excluding retained business  
Note 1: Growth is at constant currency

# SECTOR GROSS PROFIT ANALYSIS

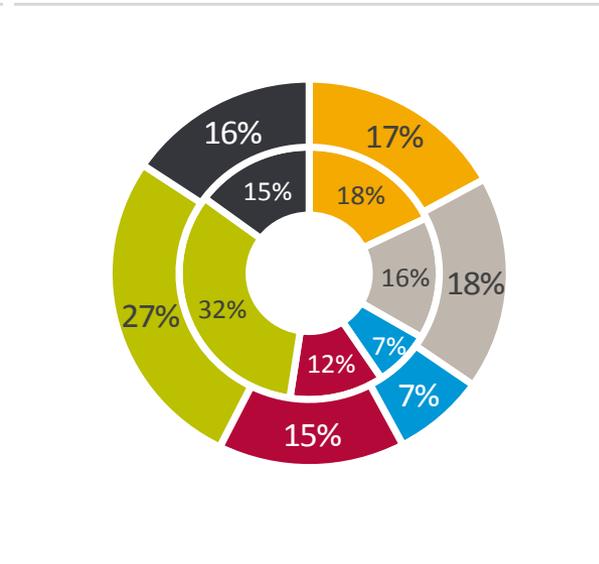
GROUP BY SECTOR



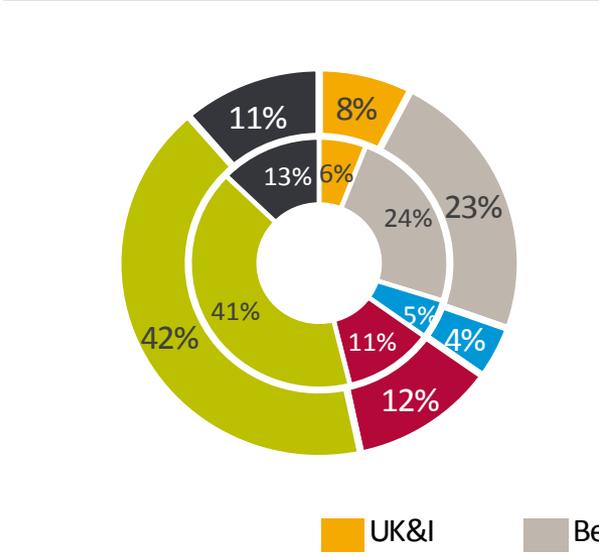
ICT BY REGION



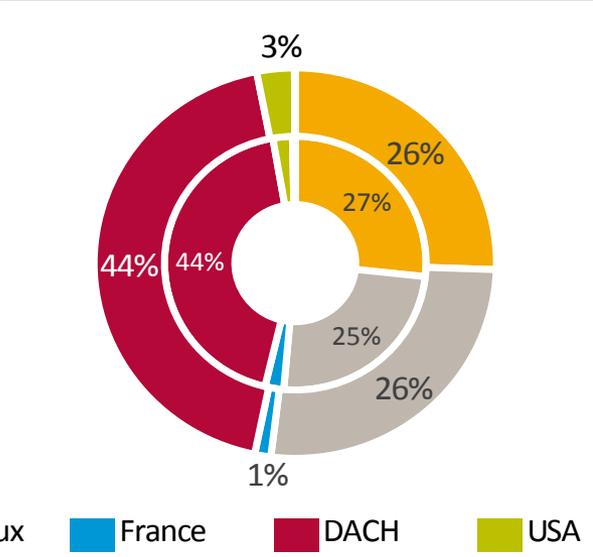
BANKING & FINANCE BY REGION



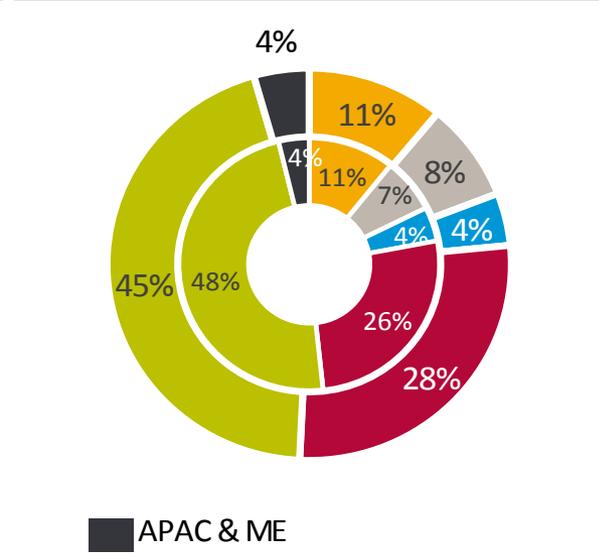
ENERGY BY REGION



ENGINEERING BY REGION



LIFE SCIENCES BY REGION



ALL CHARTS: Outside HY 2018; Inside FY 2017

# CASH FLOW

	<i>Adjusted</i>	<i>As Reported</i>	<i>As Reported</i>
	<b>HY 2018</b>	<b>HY 2018</b>	<b>HY 2017</b>
Operating profit before exceptional items	£20.4m	£18.0m	£19.3m
Depreciation, amortisation and impairments	£3.5m	£3.5m	£2.9m
Share awards charge	£1.6m	£1.6m	£1.4m
Increase in receivables	(£8.0m)	(£8.0m)	(£2.7m)
Decrease in payables and provisions	(£10.0m)	(£9.7m)	(£9.0m)
<b>Net cash generated from operations</b>	<b>£7.5m</b>	<b>£5.4m</b>	<b>£11.9m</b>
Taxation paid	(£7.4m)	(£7.4m)	(£3.4m)
Capital expenditure	(£3.1m)	(£3.1m)	(£2.6m)
Prepaid investment	-	-	(£0.8m)
Net finance expense	(£0.3m)	(£0.3m)	(£0.2m)
Dividends paid	(£6.0m)	(£6.0m)	(£6.0m)
Treasury shares purchased	(£1.0m)	(£1.0m)	(£3.4m)
Share option settlements	£0.4m	£0.4m	£0.1m
FX movement	£0.2m	£0.2m	(£0.3m)
<b>Movement in net (debt) / cash</b>	<b>(£9.7m)</b>	<b>(£11.8m)</b>	<b>(£4.7m)</b>
Cash outflow from other restructuring	-	-	(£0.1m)
Cash outflow from FY17 restructuring	(£2.1m)		
<b>Movement in net (debt) / cash after adjustments</b>	<b>(£11.8m)</b>	<b>(£11.8m)</b>	<b>(£4.8m)</b>
<b>Cash conversion ratio</b>	<b>22%</b>	<b>13%</b>	<b>48%</b>

*Commentary on Adjusted cash flow*

## **Receivables & Payables**

Working capital has increased due to growth in our runner book and seasonal phasing of payments and receipts

## **Tax payments**

Increase in tax payments for our US business

## **Treasury shares purchase**

Purchased to settle share-based payments

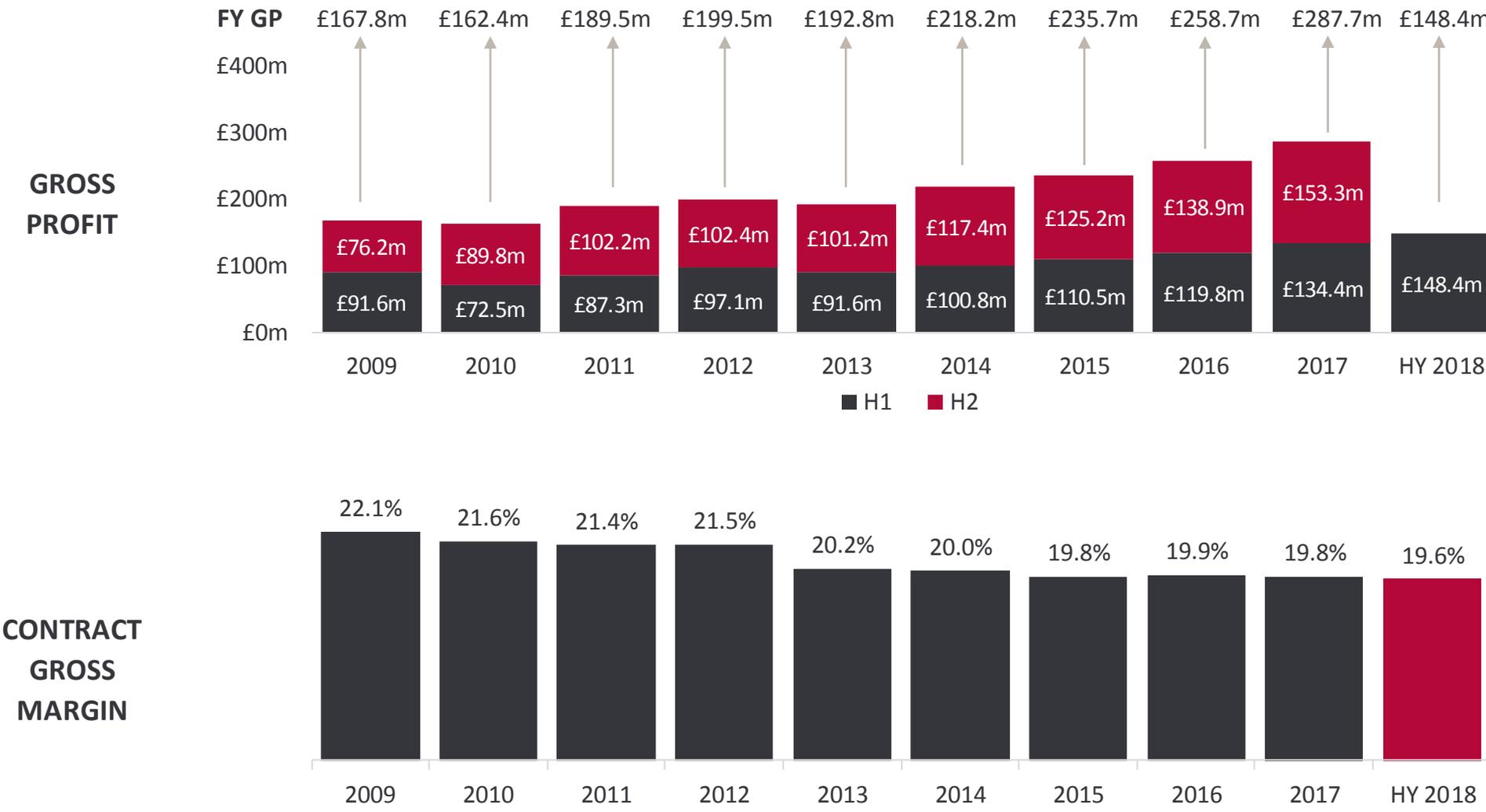
## **Cash conversion ratio**

Reduced due to increase in working capital

*Note 1: 2018 figures are adjusted for the impact of £2.4m of costs in relation to the relocation of UK central support function*

*Note 2: Cash conversion ratio is calculated as net cash generated from operations less capital expenditure, stated as a % of operating profit before exceptional items / adjustments, and is a measure of the Group's ability to convert profit into cash*

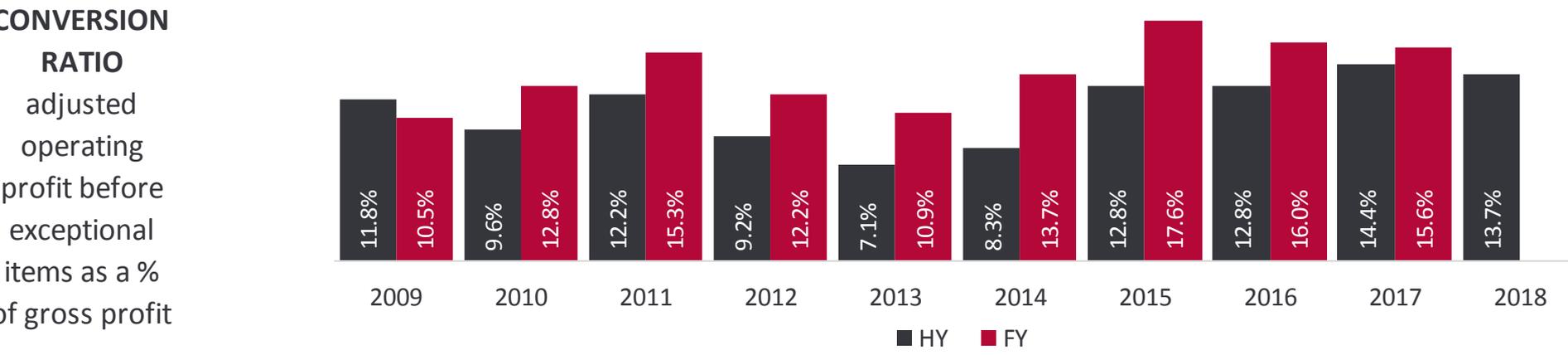
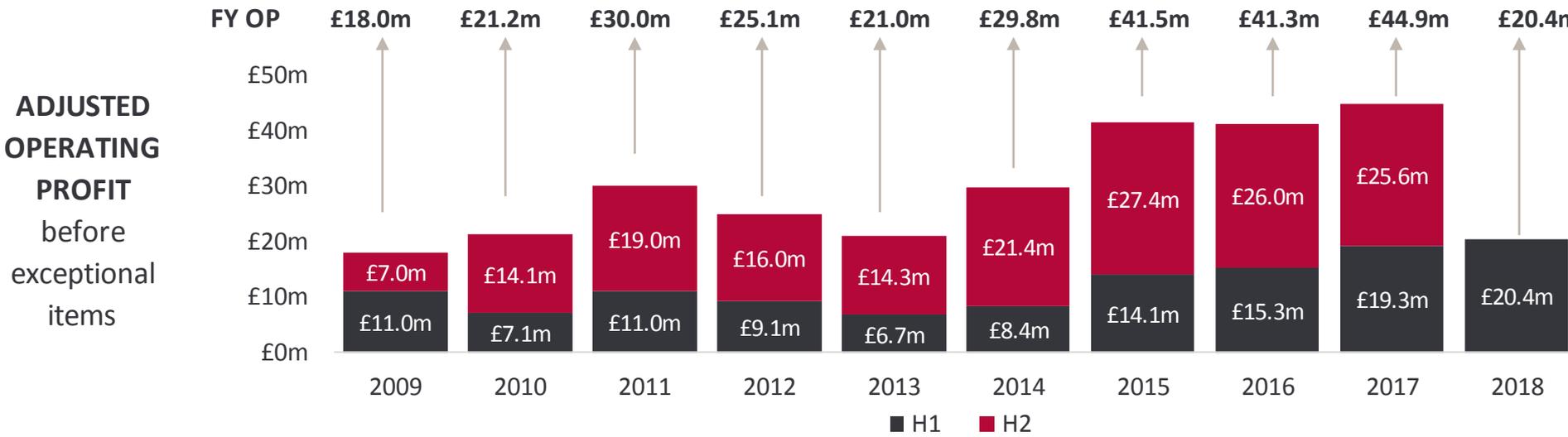
# HISTORICAL GROSS PROFIT & GROSS MARGIN



**Robust Contract margin despite strong growth in Energy**

Note 1: 2013 data is based on a normalised 52 week period

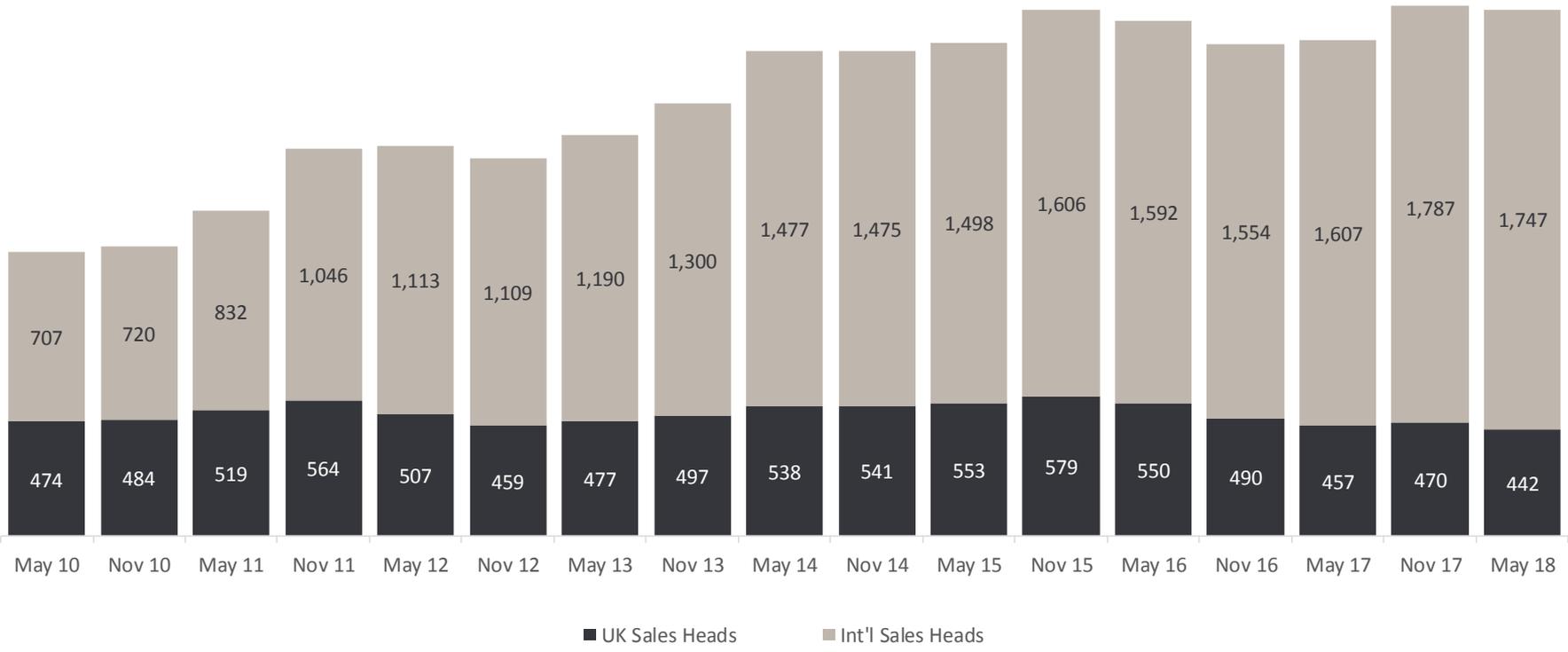
# HISTORICAL OPERATING PROFIT & CONVERSION RATIO



Note 1: 2018 figures are adjusted for the impact of £2.4m of costs in relation to the relocation of UK central support function  
 Note 2: 2017 figures are adjusted for the impact of £6.7m of costs in relation to restructuring and relocation of UK central support functions  
 Note 3: 2016 figures are adjusted for the impact of £3.5m of costs in relation to the restructuring of certain sales businesses and central support functions  
 Note 4: 2015 figures were adjusted for the impact of £3.1m of costs in relation to restructuring Energy business and the impairment of IT assets  
 Note 5: 2013, 2014 and 2015 are before exceptional items  
 Note 6: Includes data for IT Job Board up to 2011  
 Note 7: 2013 data is based on a normalised 52 week period

# HEADCOUNT

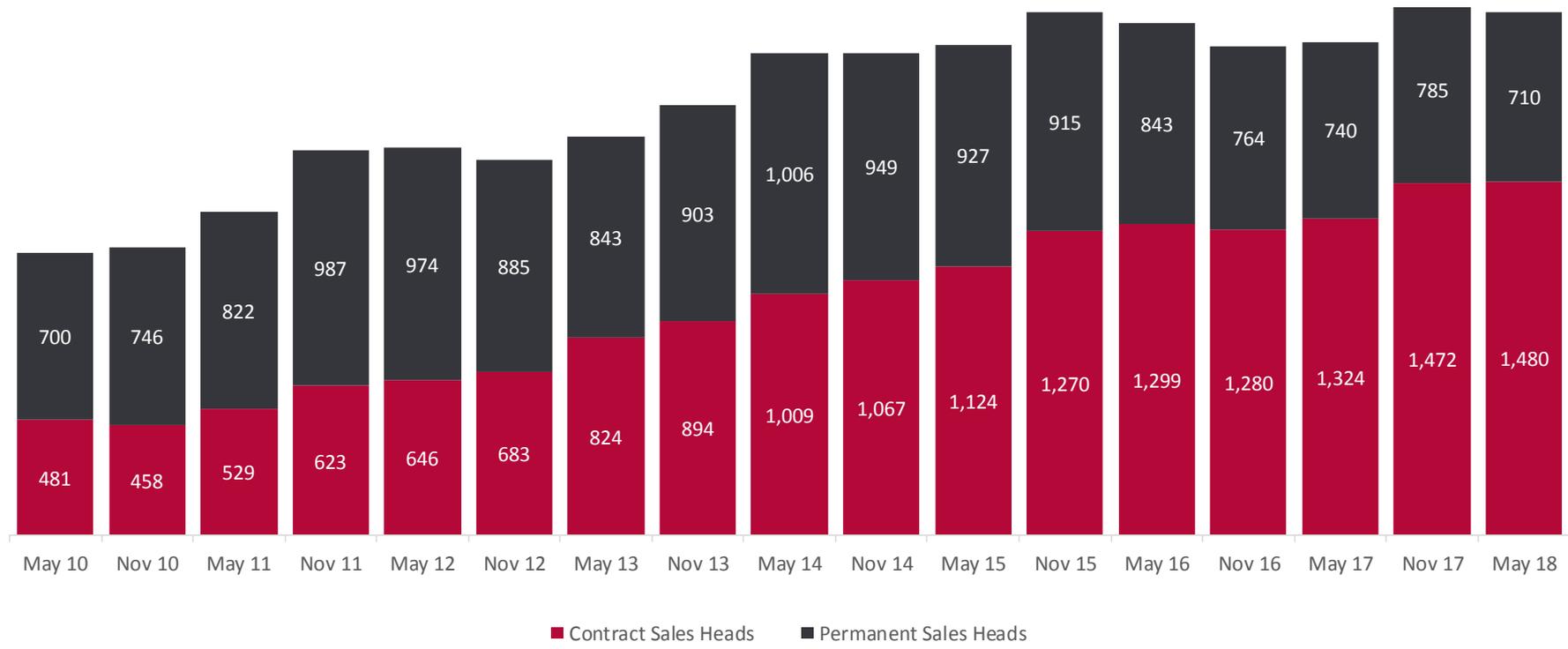
	May 10	Nov 10	May 11	Nov 11	May 12	Nov 12	May 13	Nov 13	May 14	Nov 14	May 15	Nov 15	May 16	Nov 16	May 17	Nov 17	May 18
<b>Period End Total Heads</b>	1,638	1,719	1,865	2,109	2,100	2,021	2,125	2,232	2,484	2,483	2,571	2,752	2,712	2,590	2,642	2,866	2,805
<b>Period End Sales Heads</b>	1,181	1,204	1,351	1,610	1,620	1,568	1,667	1,797	2,015	2,016	2,051	2,185	2,142	2,044	2,064	2,257	2,189



Note 1: Headcount is now based on full time equivalent heads.  
 Note 2: Sales heads include consultants and sales management

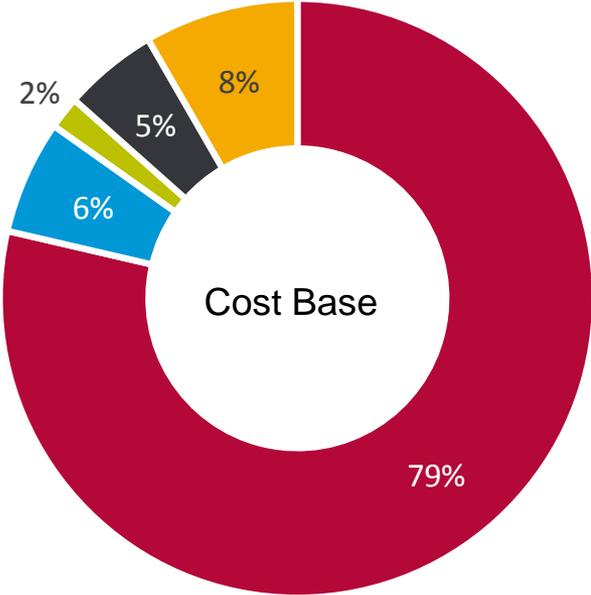
# SALES HEADCOUNT

Period End Sales Heads	May 10	Nov 10	May 11	Nov 11	May 12	Nov 12	May 13	Nov 13	May 14	Nov 14	May 15	Nov 15	May 16	Nov 16	May 17	Nov 17	May 18
	1,181	1,204	1,351	1,610	1,620	1,568	1,667	1,797	2,015	2,016	2,051	2,185	2,142	2,044	2,064	2,257	2,189

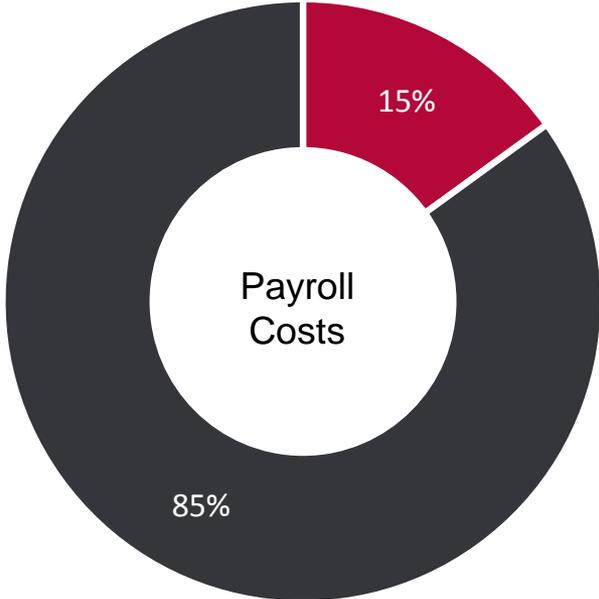


Note 1: Headcount is now based on full time equivalent heads  
 Note 2: Sales heads include consultants and sales management

# COST BASE ANALYSIS



■ Payroll ■ Property ■ Advertising ■ IT & Professional ■ Other



■ Support Services ■ Sales

**The Group has maintained its flexible cost base**

Note 1: Based on costs for HY 2018



# SThree Capital Markets Day

---

15 November 2017

## 5-year plan to 2022

### Operating Profit aspirations range from £60m to £100m

	2017 Consensus	Low	Medium	High
Gross Profit	£283m	£330m +3% CAGR	£400m +7% CAGR	£435m +9% CAGR
Operating Profit	£43m	£60m +7% CAGR	£85m +15% CAGR	£100m +18% CAGR
Conversion Ratio %	15%	18%	21%	23%
Average Sales Headcount		+2% CAGR	+7% CAGR	+9% CAGR

As a medium case, we plan to double Group profits and further diversify the business

#### Notes

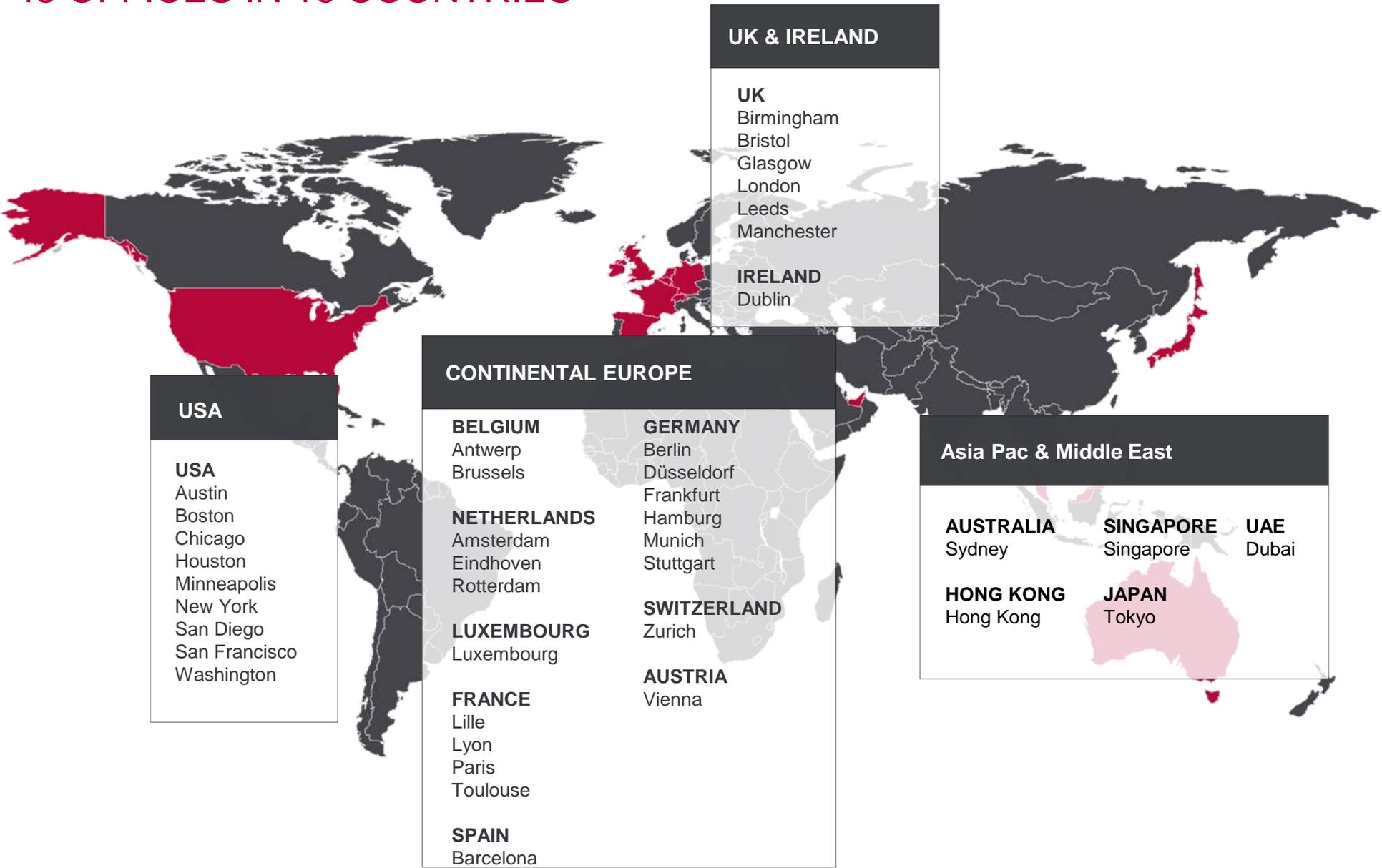
- 2017 numbers are FY consensus
- Nothing in this presentation should be construed as a profit forecast. There is no certainty over profitability or timing of achieving the above and they are dependent upon a variety of assumptions and factors both SThree specific and otherwise.
- They assume constant FX rates as of October 2017.

# Key growth drivers

 <b>Consultant Headcount</b>	 Germany 	 USA 	 Contract 
 <b>Consultant Productivity</b>	 Experience	 Fees	 Volumes
	 Economic attractiveness	 Salaries	 Fees
	 Supply / Demand Imbalance	 Salaries	 Fees
 <b>Infrastructure</b>	 Offices	 IT platforms	 Support Services
 <b>Portfolio Review</b>	 Further opportunities	 New product lines / innovation	

**Significant operating leverage**

# 43 OFFICES IN 16 COUNTRIES



**USA**

- Austin
- Boston
- Chicago
- Houston
- Minneapolis
- New York
- San Diego
- San Francisco
- Washington

**UK & IRELAND**

**UK**

- Birmingham
- Bristol
- Glasgow
- London
- Leeds
- Manchester

**IRELAND**

- Dublin

**CONTINENTAL EUROPE**

<b>BELGIUM</b> Antwerp Brussels	<b>GERMANY</b> Berlin Düsseldorf Frankfurt Hamburg Munich Stuttgart
<b>NETHERLANDS</b> Amsterdam Eindhoven Rotterdam	<b>SWITZERLAND</b> Zurich
<b>LUXEMBOURG</b> Luxembourg	<b>AUSTRIA</b> Vienna
<b>FRANCE</b> Lille Lyon Paris Toulouse	
<b>SPAIN</b> Barcelona	

**Asia Pac & Middle East**

<b>AUSTRALIA</b> Sydney	<b>SINGAPORE</b> Singapore	<b>UAE</b> Dubai
<b>HONG KONG</b> Hong Kong	<b>JAPAN</b> Tokyo	