

**11 January 2000**

**SAVILLS PLC INTERIM RESULTS**

The following press release was issued yesterday in London by Savills plc, a London-based affiliate of First Pacific Davies. First Pacific Davies, which is 100 per cent owned by First Pacific, has a 19.8 per cent economic interest in Savills plc.

*Savills Interim Results*

**SAVILLS PLC INTERIM PROFITS INCREASE BY 69%**

**for the six months ended 31 October 1999**

- \* Group pre-tax profit was up 69% at £8.8m (1998 - £5.2m).
- \* Group turnover for the six months was up 72% at £64.1m (1998 - £37.2m).
- \* Interim dividend increased to 3.0p (net) per share (1998 - 1.75p).

Richard Jewson, Chairman of Savills plc, comments: **“This half year shows record results for the Group with strong performance across the divisions. We have taken full advantage of very firm residential and commercial markets, and have made progress throughout our offices in the UK and on mainland Europe.**

**“We expect demand for our services to remain strong although it will be difficult to maintain the rate of growth achieved recently. We have excellent teams of professionals who remain highly motivated. We will continue to strengthen our business in areas where we can create value, and we are actively developing and investing in our international network.”**

\*\*\* Chairman's Statement and Interim Results follow \*\*\*

Savills plc. Registered in England No. 2122174. Registered Office 20 Grosvenor Hill, Berkeley Square, London W1X 0HQ

For further information, contact:

Richard Jewson/Aubrey Adams (Savills)

0171 466 5000 until 1pm today,  
thereafter on 0171 409 9923

Mark Edwards/Kirsty Robeson (Buchanan Communications)

0171 466 5000

## CHAIRMAN'S STATEMENT

### RESULTS AND DIVIDEND

I am delighted to announce that profit before tax for the six months ended 31 October 1999 was up 69% at £8.8m (1998 - £5.2m). Earnings per share were 11.3p (1998 - 6.7p). Turnover was up 72% at £64.1m (1998 - £37.2m). The balance sheet shows cash of £24.4m. The Directors have declared an interim dividend of 3.0p (1998 - 1.75p). This 71% increase continues our progressive dividend policy and is also intended to provide a better balance between interim and final payments.

### TRADING REVIEW

This half year shows record results for the Group with strong performance across the divisions. We have taken full advantage of very firm residential and commercial markets, and have made progress throughout our offices in the UK and on mainland Europe.

The Grosvenor Hill Ventures group started the year strongly with a profit of £1.5m, following sales of properties in Edinburgh and Liverpool.

In pursuit of our strategy to build our position in the management of residential property, we have acquired the residential corporate lettings and management business of Bradford & Bingley Estate Agencies Limited. We have also acquired the 50% shareholding in Trigon Limited, our facilities management company, previously owned by Castle View.

### PROPERTY SERVICES

#### Agency

Outstanding results have been driven by high volume and high value transactions both in the London and regional offices of our Commercial practice, where we have gained market share, and in the residential market with record results across all our regions. We are expanding our new homes division into Birmingham and other major centres. The investment market has been buoyant and we have carried out some notable instructions during the period. We have added to our teams in London and in the regions.

#### Professional

All professional departments are busy with profitable work. Valuation has performed particularly well. Our planning capability has increased with the successful integration of Shaw Cramond, which we acquired last year.

#### International

The alliance with First Pacific Davies is proving successful and the rebranding exercise in Australia has been completed. There are now 86 offices in 21 countries in the FPDSavills grouping. Our offices in Germany, France and Spain have produced a very satisfactory return while growing their client base.

### FINANCIAL SERVICES

Grosvenor Hill Ventures, as well as completing the sales noted above, has acquired an outlet-shopping village in West Yorkshire to be known as Batley Mills Shopping Village. Savills Private Finance has performed in line with expectations while expanding its team of consultants. Savills Finance continues to work on Schroder's Residential Property Unit Trust in its role as Fund Operations Adviser.

## **OUTLOOK**

We expect demand for our services to remain strong although it will be difficult to maintain the rate of growth achieved recently. We have excellent teams of professionals who remain highly motivated. We will continue to strengthen our business in areas where we can create value, and we are actively developing and investing in our international network.

Richard Jewson, Chairman  
11 January 2000

## Interim Results (Unaudited)

	Six months to 31.10.99 £'000	Six months to 31.10.98 £'000	Year to 30.04.99 £'000
Turnover			
Group and share of joint ventures	64,165	37,423	102,947
Less share of joint ventures	(29)	(228)	(587)
<b>Total group turnover</b>	<b>64,136</b>	<b>37,195</b>	<b>102,360</b>
Operating profit			
Group - continuing operations	8,531	3,871	13,840
- acquisitions	(125)	-	154
Share of joint ventures	(19)	(33)	38
Share of associates	149	223	170
Loss on disposal of property	-	-	(59)
Profit on disposal of investment	-	878	908
<b>Profit before interest and taxation</b>	<b>8,536</b>	<b>4,939</b>	<b>15,051</b>
Net interest			
Group	217	385	417
Joint ventures	-	-	1
Associates	85	(101)	(52)
<b>Profit on ordinary activities before taxation</b>	<b>8,838</b>	<b>5,223</b>	<b>15,417</b>
Taxation on profit on ordinary activities	(3,097)	(1,758)	(5,494)
<b>Profit on ordinary activities after taxation</b>	<b>5,741</b>	<b>3,465</b>	<b>9,923</b>
Minority interests	(270)	(200)	(155)
<b>Profit for the financial period</b>	<b>5,471</b>	<b>3,265</b>	<b>9,768</b>
Dividends	(1,459)	(939)	(2,770)
<b>Profit for the period transferred to reserves</b>	<b>4,012</b>	<b>2,326</b>	<b>6,998</b>
Earnings per share	11.3p	6.7p	20.1p
Fully diluted earnings per share	10.3p	6.3p	18.9p
Dividends per share	3.0p	1.75p	5.75p

**SUMMARY GROUP BALANCE SHEET**  
at 31 October 1999

	31.10.99 £'000	Restated 31.10.98 £'000	30.4.99 £'000
Tangible assets	9,956	8,029	8,881
Intangible assets	8,480	5,637	5,987
Investments			
Investments in joint ventures			
Share of gross assets	-	835	1,022
Share of gross liabilities	-	(788)	(903)
Investments in associates	148	153	44
Other investments	4,042	3,386	3,855
	<u>22,626</u>	<u>17,252</u>	<u>18,886</u>
Working capital	18,732	14,548	3,308
Cash	24,444	13,751	26,515
	<u>43,176</u>	<u>28,299</u>	<u>29,823</u>
Net current assets	43,176	28,299	29,823
Long-term creditors & provisions	(16,210)	(4,636)	(3,385)
	<u>49,592</u>	<u>40,915</u>	<u>45,324</u>
Net assets	<u>49,592</u>	<u>40,915</u>	<u>45,324</u>
Called up equity share capital	2,693	2,684	2,689
Reserves			
Share premium	25,104	25,002	25,060
Profit & loss	21,451	12,936	17,501
	<u>49,248</u>	<u>40,622</u>	<u>45,250</u>
Shareholders' funds - equity	49,248	40,622	45,250
Minority interests - equity	344	293	74
	<u>49,592</u>	<u>40,915</u>	<u>45,324</u>

## CONSOLIDATED CASH FLOW STATEMENT

	Six months to 31.10.99 £'000	Six months to 31.10.98 £'000	Year to 30.04.99 £'000
Net cash (outflow)/inflow from operating activities	(1,072)	(4,843)	14,771
Dividends received from associates	-	150	310
Net cash inflow from returns on investments & servicing of finance	424	284	205
Tax paid	(518)	(30)	(3,516)
Net cash outflow from capital expenditure & financial investment	(3,032)	(3,097)	(6,296)
Net cash outflow from acquisitions & disposals	(4,017)	(2,562)	(1,716)
Equity dividends paid	(2,014)	(1,717)	(2,546)
Cash (outflow)/inflow before use of liquid resources & financing	(10,229)	(11,815)	1,212
Management of liquid resources	1,619	9,211	(4,399)
Financing	6,726	(636)	(1,850)
Decrease in cash for the period	(1,884)	(3,240)	(5,037)

## STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES

	Six months To 31.10.99 £'000	Six months to 31.10.98 £'000	Year to 30.04.99 £'000
Profit for the financial period	5,471	3,265	9,768
Exchange movements on foreign currency net investments	(43)	-	(38)
Total recognised gains & losses relating to the period	5,428	3,265	9,730

## NOTES

1. The interim accounts in respect of the six months ended 31 October 1999 and the comparative figures in respect of the six months ended 31 October 1998 are unaudited. The comparative figures for the financial year ended 30 April 1999 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report was unqualified and did not contain a statement under Section 237(2) or (4) of the Companies Act 1985.
2. The tax charge has been calculated on the basis of the underlying rate of 30% adjusted for any disallowable charges.
3. The calculation of earnings per share is based on a weighted average number of shares in issue of 48,588,000 (six months to 31 October 1998 - 48,709,000 and year to 30 April 1999 - 48,580,000). The calculation of fully diluted earnings per share is based on a weighted average number of shares of 52,964,000 (6 months to 31 October 1998 - 51,608,000 and year to 30 April 1999 - 51,777,000).
4. An interim dividend of 3.0p (net) per share will be paid on 18 February 2000 to shareholders on the register as at 28 January 2000. The current number of shares in issue is 53,850,628.

**NOTES (continued)**

5. Segmental Analysis 6 months to 31.10.99	FPDSavills Commercial £'000	FPDSavills £'000	Financial Services £'000	Property Companies £'000	Holding Company £'000	Group £'000
Turnover (group & joint ventures)	20,410	32,522	1,548	9,669	16	64,165
Less share of joint ventures	(29)	-	-	-	-	(29)
<b>Total Group turnover</b>	<b>20,381</b>	<b>32,522</b>	<b>1,548</b>	<b>9,669</b>	<b>16</b>	<b>64,136</b>
Operating profit/(loss)	3,536	3,974	(179)	1,924	(849)	8,406
Share of joint ventures	(19)	-	-	-	-	(19)
Share of associates	-	-	149	-	-	149
Profit/(loss) before interest	3,517	3,974	(30)	1,924	(849)	8,536
Net interest Group	175	102	(77)	(368)	385	217
Associates	-	-	85	-	-	85
Profit before taxation	<u>3,692</u>	<u>4,076</u>	<u>(22)</u>	<u>1,556</u>	<u>(464)</u>	<u>8,838</u>
6 months to 31.10.98 Profit before taxation (restated)	<u>2,280</u>	<u>1,876</u>	<u>789</u>	<u>(248)</u>	<u>526</u>	<u>5,223</u>

Copies of this statement are being sent to shareholders and are available from:

Savills plc, 20 Grosvenor Hill, Berkeley Square, London W1X 0HQ  
Telephone: 0171 409 9920 Fax: 0171 409 1800 Contact: Lizzie Jackson

In addition, copies in alternative formats i.e. large print, audio tape, braille are available if required from  
Lloyds TSB Registrars, The Causeway, Worthing, West Sussex BN99 6DA.

This information is also available on the Company's website at: [www.fpd Savills.co.uk](http://www.fpd Savills.co.uk)

**End**