6 August 2020

Savills plc
("Savills" or "the Group")

RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2020

Savills plc, the international real estate advisor, today announces its unaudited results for the six months ended 30 June 2020.

Key Financial Information

- **Group revenue down £55.6m (7% as reported and in constant currency*) to £791.4m (H1 2019: £847.0m)**
- **Group underlying profit** before tax down £25.2m (66% as reported and in constant currency) to £13.2m (H1 2019: £38.4m)**
- **Group profit before tax down 69% to £7.7m (H1 2019: £24.7m)**
- **Underlying basic earnings per share 7.0p (H1 2019: 20.9p)**
- **Basic earnings per share 3.9p (H1 2019: 12.8p)**
- **Net cash £9.4m (H1 2019: Net debt £139.0m)**

* Revenue and underlying profit for the period are translated at the prior period exchange rates to provide a constant currency comparative.
** Underlying profit before tax ('underlying profit') is calculated on a consistently reported basis in accordance with Note 3 and Note 7 to the Interim Financial Statements.

Trading performance

- **Less transactional businesses, including Consultancy and Property and Facilities Management, (65% of Group revenue) helped mitigate the significant impact of Covid-19, particularly in Q2 on global leasing and investment market volumes.**
- **Property and Facilities Management revenue up 4%, Consultancy revenue up 1%.**
- **Commercial Transaction revenue reduced 23% overall with Asia Pacific and North America particularly affected.**
- **UK Residential revenue down 8%, reflecting significant reductions in transactional activity during lockdown, partially mitigated by a strong recovery in June.**
- **Savills Investment Management revenue down 6% as a result of lower performance fee income. Base management fees up 9%, with period end AUM up 11% at €20.4bn.**

Commenting on the results, Mark Ridley, Group Chief Executive of Savills plc, said:

"In the context of the significant impact of Covid-19 on global markets in the second quarter, Savills resilient interim results highlight the diversity and strength of our Global business. During this period, our less transactional businesses have provided a solid platform for the Group and our transactional business teams have partially mitigated the effect of significantly lower levels of trading activity by winning increased market share. Much of this is due to our strategy of remaining open for business throughout, retaining the strength of our teams and focussing resolutely on addressing both the pandemic-related, and longer term, needs of our clients.

"Looking forward, as a consequence of Covid-19 the economic environment remains highly uncertain, chiefly in respect of expected recovery trajectories across the world and the occurrence of second wave outbreaks causing further lockdowns. In addition, it is unclear how significantly the longer term economic impact of Covid-19 will weigh on corporate and investor sentiment. That said, the wider context for real estate investment is largely positive with the expectation of low interest rates for longer and continued, or enhanced, investor demand for income reflected in increased allocations to Real Asset backed strategies.

"In recent weeks we have seen signs of recovery in residential markets and a number of commercial transaction markets around the world. Clearly, our performance in the second half of 2020 will be highly dependent upon the extent to which such signs become a sustained recovery for the markets in which we operate.

"In view of the lack of certainty over the impact of Covid-19 over the coming months, the 2019 final dividend was cancelled and the Board is not declaring an interim dividend. We remain focused on long term shareholder returns, and will look to restart distributions as soon as is prudently appropriate.

"Savills is a resilient, globally diversified business with a strong balance sheet. We are confident in the Group's ability to withstand all modelled scenarios for the year and to continue both to execute our growth strategies and deliver a resilient performance in 2020."

For further information, contact:

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Elizabeth Snow

The analyst presentation will be held at 9.30am today by webinar. For joining instructions please contact nrichards@savills.com. A recording of the presentation will be available from noon at www.ir.savills.com.

Covid-19 impact on Real Estate Markets

As disclosed in the Group's trading update on 25 June 2020, Covid-19 has had a significant impact on investor and occupier activity as the pandemic spread across the world. The impact of lockdowns and the inability to travel or conduct viewings significantly reduced the volume of transactional activity which could be conducted in the first half of 2020.

In Asia Pacific, real estate investment activity contracted by 40% year-on-year. As domestic lockdowns are lifted, and demand gradually improves, regional growth momentum is expected to turn positive in the second half of 2020 and we have seen greater levels of activity return as areas such as Mainland China returned to business.

After a dynamic start to the year, investment activity in Europe reduced significantly in Q2 by 48%, disrupted by extensive lockdown measures. In the UK, transactional activity was similarly affected declining 56% in Q2.

In the US, overall demand for office space fell substantially in the second quarter. The market volume of leasing activity for H1 2020 declined by 31% compared to the same period in 2019. Market conditions are becoming increasingly tenant-favourable across the country, however occupiers in major metropolis markets such as New York and the major West Coast cities remain reluctant to contemplate significant new lease activity during the current phase of the pandemic.

Covid-19 impact on our business

Our primary concern

Our primary concern has been the well-being of our staff, clients and suppliers both in respect of our own businesses and, as a substantial Property and Asset Manager, in respect of the occupiers and users of the portfolio under our management. Such activities and advice have become ever more important as we have overcome the specific issues enabling a return to work. Today, 90% of our offices around the world are open and either working on a rota system or fully staffed.

Measures we have taken to manage through the pandemic

Similar to our approach during the Global Financial Crisis in 2008/9 ('GFC'), in an environment where the outlook is constantly changing, for reasons outside our control, and thus where traditional near term forecasting is extremely compromised, we have focused on liquidity and cash management and have evaluated our actions against a live Covid-19 liquidity model.

Overarching this, we have adopted the same principle as in the GFC, which is to maintain our staffing levels to ensure that we can continue to provide comprehensive, high quality, timely real estate advice in circumstances where clients have needed it more than ever. This is only possible because of our conservative financing structure and is designed both to minimise the impact on staff and to position the Group to outperform in the recovery phases as they emerge across the regions in which we operate.

Examples of specific actions taken include:

- Senior management salary cuts for 2020 of 20% across the Group;
- Reductions in discretionary expenditure;
- Reductions and deferment of capital expenditure (save in respect of long term data and digitisation projects);
- Cancellation of the 2019 Final Dividend
- Limited acceptance of Government Support Schemes, aimed at those business lines expressly prevented from operating during lockdown, principally our UK Residential Transaction business; the majority of staff have now returned from furlough; and
- Maximisation of cash flows including a no cost deferral of UK VAT payments totalling £45.7m.

Business development during the period

A challenging market environment generally creates business development opportunities and the first half of 2020 has been no exception. Our financial strength relative to our industry as a whole has provided some strategic recruitment and acquisition opportunities in areas of particular focus for the Group. In March we announced the acquisition of Macro Consultants LLC, a US based project management business, which strengthens our global network in this important consulting business line. In July, post-period end, we agreed the acquisition of OMEGA Immobilien Management GmbH and OMEGA Immobilien Service GmbH, which provides us with a platform to grow our Property Management business in the important German market. The transaction is expected to complete, subject to Bundeskartellamt review, by early Q4 2020.

In addition we have remained active in targeted recruitment across our key service lines with a particular focus on Continental Europe and the Middle East, North America and the Asia Pacific Investment Management Business.

Impact on our results

Covid-19 has had a significant impact on the world's real estate markets. As a global business Savills has had to navigate market disruption from its early onset in the Asia Pacific region through its progressive spread across the world. The impact of lockdowns, including the prohibition on site viewings, has significantly reduced the volume of transactional activity which could be conducted.

In the six months to 30 June 2020 Savills delivered revenue of £791.4m, a decrease of 7% (same decline in constant currency) (H1 2019: £847.0m). Underlying profit was £13.2m, 66% lower than the first half of 2019 (H1 2019: £38.4m) (same decline in constant currency). The Group’s underlying profit margin was 1.7% (H1 2019: 4.5%). This reflects the resilient performance of our less transactional businesses during a period of significant uncertainty and the expected fall in transactional activity throughout the world as a result of the Covid-19 pandemic. It also reflects our strategy of maintaining the bench-strength of our teams to advise clients despite their impaired ability to transact.

It is highly encouraging that Savills has traded profitably in the first half of 2020, albeit at a materially reduced level year-on-year, and the various measures taken across the Group resulted in a significant improvement in the Group’s liquidity position with net cash of £9.4m at period end (H1 2019: net debt £139.0m).

Statutory profit before tax, including deferred consideration provisions and acquisition and restructuring costs was £7.7m (H1 2019: £24.7m).

Business review

The following table sets out Group revenue and underlying profit by operating segment:

Revenue	H1 2020 £m	H1 2019 £m	Change
Transaction Advisory	278.5	346.3	(20%)
Consultancy	144.6	142.5	1%
Property and Facilities Management	337.8	325.7	4%
Investment Management	30.5	32.5	(6%)
Unallocated/Central	-	-	n/a
Group revenue	**791.4**	**847.0**	**(7%)**

Underlying profit	H1 2020 £m	H1 2019 £m	Change
Transaction Advisory	(14.7)	9.9	n/a
Consultancy	10.2	11.5	(11%)
Property and Facilities Management	17.7	16.2	9%
Investment Management	4.3	5.6	(23%)
Unallocated cost	(4.3)	(4.8)	10%
Group underlying profit	**13.2**	**38.4**	**(66%)**

The following table sets out Group revenue and underlying profit by geographical area:

Revenue	H1 2020 £m	H1 2019 £m	Change
UK	298.8	303.6	(2%)
Asia Pacific	279.7	298.4	(6%)
Europe & the Middle East	107.4	113.3	(5%)
North America	105.5	131.7	(20%)
Unallocated/Central	-	-	n/a
Group revenue	**791.4**	**847.0**	**(7%)**

Underlying profit	H1 2020 £m	H1 2019 £m	Change
UK	15.0	22.2	(32%)
Asia Pacific	11.8	15.5	(24%)
Europe & the Middle East	(4.4)	(1.2)	(267%)
North America	(4.9)	6.7	n/a
Unallocated cost	(4.3)	(4.8)	10%
Group underlying profit	**13.2**	**38.4**	**(66%)**

Transaction Advisory

Revenue	H1 2020 £m	H1 2019 £m	Change
UK	83.8	88.7	(6%)
Asia Pacific	54.8	82.9	(34%)
Europe & the Middle East	38.1	43.0	(11%)
North America	101.8	131.7	(23%)
Total	278.5	346.3	(20%)

Our Transaction Advisory revenues decreased on H1 2019 by 20% (same in constant currency), reflecting the impact of Covid-19 on transaction market volumes as lockdowns spread across the world. In most markets, our transaction teams outperformed the market with increased share of the available transaction activity. An underlying loss of £14.7m was recognised during the period, versus a £9.9m profit in H1 2019. This reflected both the decline in transaction activity and our strategy of maintaining our bench strength to support clients during a period in which their ability to transact was severely affected.

UK Commercial
UK Commercial Transaction fee income performed robustly decreasing by 2% to £30.9m (H1 2019: £31.4m). This reflected a very strong Q1, pre-lockdown, when market volumes, supported by the General Election result in December 2019, rose by 33% compared with the same period in 2019. In Q2 volumes declined significantly by 56% on Q2 2019. Investment transaction volumes for the UK as a whole were £19.7bn in H1 2020, 8% down on the same period in 2019. Our national Investment Transaction business (excluding Central London) saw revenue decline by only 2% year-on-year. Central London office investment volumes were also substantially down, showing a 42% year-on-year decline. Against this backdrop, Savills increased its market share acting on 37% of the capital value transacted in London during the period. In the retail sector market investment volumes fell by approximately 46% off an already low 2019 base; however our teams saw revenue decline by only 4% as they continued to advise on strategic options and re-financing transactions.

Our leasing and occupier facing businesses were more significantly affected through lockdown as particularly office tenants sought short term renewals rather than committing to significant new transactions.

Improvements in Development and Rural transactions mitigated the Covid-19 effect on the underlying profit of the UK Commercial Transaction which declined to £0.9m (H1 2019: £1.3m).

UK Residential
UK Residential Transaction market conditions were challenging with market trading volumes at the lowest level since the Global Financial Crisis. Savills UK residential revenue declined 8% to £52.9m (H1 2019: £57.3m). In the second hand agency business, revenues declined by 16% as we were largely prevented by lockdown from transacting during the key Spring sales season. The strong surge in activity in June, once viewings were again permitted, led to a record number of transactions going under offer, which should be reflected in revenue in the coming periods. This recovery was primarily in the Country market as buyers sought outside amenity space. However, we have also seen a significant recovery in activity in the core London market during the same period together with improved activity from international buyers in Prime Central London. Savills overall transaction volumes exchanged were down 8% in London and 27% in the regional markets. The average value of London residential property sold by Savills in the period was down 11% to £1.9m (H1 2019: £2.1m) reflecting the effect of an increased proportion of transactions in the Core London market (values £0.5m-£1.5m). The average transaction value outside London grew marginally to £1.2m (H1 2019: £1.17m).

Revenue from sales of new homes was 17% down on H1 2019. New homes reservations for H1 2020 were also down 16% on H1 2019 reflecting both overall market trends and the inability of overseas buyers to travel during lockdown. A similar improvement in activity has been seen since the beginning of June.

Our Private Rented Sector (PRS) transactional business, the UK market leader in this increasingly sought after sector, delivered an outstanding performance increasing revenue by 87% period on period and executing a number of significant transactions.

As a result of the above factors, underlying profits in the UK residential transaction business decreased by 54% to £1.6m (H1 2019: £3.5m).

Asia Pacific Commercial
Commercial Transaction fee income in Asia Pacific decreased by 39% (41% in constant currency) to £41.5m (H1 2019: £68.2m). This reflected the early onset of Covid-19 in Greater China including Hong Kong, and Singapore together with lockdown requirements in Australia and Japan. The decline in volumes in these markets was partially mitigated by strong growth through the recovery period in South Korea, Vietnam and Taipei. During the latter part of Q2 there has been clear evidence of a recovery in activity, post-lockdown, in Mainland China.

Overall the Asia Pacific commercial transaction business resulted in an underlying loss for the period of £4.4m (H1 2019: £4.2m profit).

Asia Pacific Residential
Residential Transaction fee income in Asia Pacific decreased by 9.5% to £13.3m (H1 2019: £14.7m) (12% in constant currency). There were significant reductions in activity in Australia and Singapore, which were partially mitigated by growth in Mainland China and Thailand.

Underlying profits in the region, improved by the trading performance in China and the rationalisation of the Australian business in 2019, increased by 14% to £1.6m (H1 2019: £1.4m).

Europe & the Middle East
In Europe and the Middle East, transaction fee income decreased by 11% to £38.1m (H1 2019: £43.0m) (same in constant currency) with strong performances in Germany, the Netherlands and Belgium mitigating the effect of reductions in activity elsewhere. Southern Europe was significantly affected by the pandemic, however by the end of the period there were signs of improving activity levels. These factors, together with the run-off of business development costs in the region, contributed to the underlying loss of £9.8m (H1 2019: £7.2m loss) for the first half of the year.

North America
Being overwhelmingly a transactional business focused on occupiers, the North American business has been materially affected by the Covid-19 pandemic, with revenue down by 23% (24% in constant currency) to £101.8m (H1 2019: £131.7m). The year started robustly; however the US, being the last major region to go into lockdown, has to date struggled to return to normal activity levels. This is particularly significant in the major metropolis markets such as New York and San Francisco. The effect of this can be seen in the market volume of US leasing transactions, which declined by 31% during H1 2020. Two positive exceptions have been the logistics market and our work for the US Government under the US General Services Administration contract, both of which showed growth during the period.

As a result of the Covid-19 related reduction in revenue, the North American business posted an underlying loss of £4.6m for the period (H1 2019: £6.7m underlying profit).

Consultancy

Revenue	**H1 2020 £m**	**H1 2019 £m**	**Change**
UK	92.2	93.4	(1%)
Asia Pacific	32.4	32.7	(1%)
Europe & the Middle East	16.3	16.4	(1%)
North America	3.7	-	n/a
Total	144.6	142.5	1%

Consultancy fee income showed considerable resilience during the period, with most regions showing stable revenues. The 1% increase in revenue (same in constant currency) to £144.6m (H1 2019: £142.5m) included the consolidation of the initial period of ownership of Macro Consultants LLC, the US project management consultancy acquired in March 2020.

In the UK, strong performances in Housing, Building and Project Consultancy, Rural and Development Consultancy largely outweighed slight reductions in Financial Services, Lease Consultancy and Planning Consultancy.

In Asia Pacific, revenue growth in Australia, Singapore, Japan and South Korea largely offset slight reductions in Greater China due to a reduced volume of valuation and research consultancy during lockdowns.

In the Europe and Middle East business, strong performances in Germany, the Netherlands, Sweden and Poland, largely mitigated the effect of reductions in activity elsewhere in the region.

As part of our strategy to diversify our income streams in North America by building our Consultancy practices, in March we announced the acquisition of Macro Consultants LLC, a high quality National project management consultancy. It has performed in line with our expectations, subject to the effect of project delays during lockdown.

Underlying profit of the Consultancy business decreased by 11% to £10.2m (H1 2019: £11.5m).

Property and Facilities Management

Revenue	H1 2020 £m	H1 2019 £m	Change
Asia Pacific	190.0	180.0	6%
UK	110.1	107.6	2%
Europe & the Middle East	37.7	38.1	(1%)
Total	337.8	325.7	4%

Our Property and Facilities Management business increased global revenues by 4% (3% in constant currency) to £337.8m (H1 2019: £325.7m). Savills total area under management increased 10% since H1 2019 to 2.33bn sq.ft, inclusive of the Group's effective share of square footage managed in joint ventures (H1 2019: 2.12bn sq ft).

In general, across the globe Covid-19 has necessitated significant amounts of additional work by Property Managers, and the provision of specific advice and return to work processes to clients during and after lockdowns. In an environment where rent collection remains problematic, particularly in certain sectors such as retail and hospitality, this too required extra resource. In many cases, the additional work has not been reflected in surcharges to clients, who have themselves been adversely affected by temporarily lower rental income streams.

In Asia, strong growth in Hong Kong, Japan, Singapore and Vietnam mitigated the effect of reduced revenues in China, Australia and South Korea during the period. Cost savings, particularly the moderation of wage inflation in Hong Kong, contributed to margin improvement in the region overall.

In the UK, growth in Commercial Property and Facilities Management revenue was partially reduced by a decline of 7% in Residential Property Management revenues driven by fewer lettings transactions during lockdown.

Underlying profit for the Property and Facilities Management business increased by 9% to £17.7m (H1 2019: £16.2m).

Investment Management

Revenue from Investment Management decreased by 6% to £30.5m (H1 2019: £32.5m). Base management fees represented approximately 82% (HY 2019: 75%) of Investment Management gross revenues and grew by 9% during the period. This growth helped mitigate the 78% reduction in performance fee income during the period which declined from 10% in H1 2019, which benefited from certain one-time performance fees, to 2% of total revenue. 85% of funds (by AUM) continued to exceed their benchmark returns on a five year rolling basis, and this track record contributed to resilient capital raising activity, albeit reduced in the context of Covid-19 which made for challenging market conditions.

Assets under management increased by 11% to €20.4bn (H1 2019: €18.3bn).

As a result of the effect of reduced performance fees, partially mitigated by cost savings, underlying profit for Investment Management decreased by 23% to £4.3m (H1 2019: £5.6m).

Unallocated/central revenue and cost

The unallocated cost segment represents other costs, expenses and net interest not directly allocated to the operating activities of the Group's business segments. The H1 decrease in unallocated net costs of 10% to £4.3m (H1 2019: £4.8m) reflects a decrease in the central performance related bonus provision.

Acquisition and restructuring costs

During the period the Group incurred an aggregate restructuring charge of £1.0m (H1 2019: £4.3m) and acquisition related costs of £1.8m (H1 2019: £7.1m). The restructuring charge relates principally to the ongoing cost of deferred shares issued in relation to the restructuring upon acquisition of Aguirre Newman at the end of 2017. Acquisition costs in the period primarily represents provisions for future consideration payments which are contingent on the continuity of recipients' employment at the time of payment. The majority of the charge relates to the most recent acquisitions in the UK and the US.

Earnings and financial position

The Group's underlying profit margin in the period was 1.7% (H1 2019: 4.5%). This was as a result of revenues being more heavily weighted towards non-transactional business lines which carry lower margin, with transactional activity significantly lower due to the impact of Covid-19 throughout the Group. In addition, the strategy of retaining transaction advisory staff during this period is also reflected in the short term diminution in margin. Basic earnings per share for the six months to 30 June 2020 decreased by 70% to 3.9p (H1 2019: 12.8p). Underlying earnings per share decreased 67% to 7.0p (H1 2019: 20.9p).

The impact of foreign exchange movements on the translation of underlying profits from our overseas businesses resulted in an increase in underlying profit of £0.3m.

At 30 June 2020, net cash was £9.4m (30 June 2019: £139.0m net debt). At 30 June 2020, the Group had cash balances of £235.6m (30 June 2019: £161.2m) less borrowings of £226.2m (30 June 2019: £300.2m), with £334.3m of credit facilities remaining available for utilisation (30 June 2019: £252.5m). The Group benefited from the deferral, at no cost, of VAT/Sales Tax liabilities totalling £61.2m. Adjusting, for that deferral, the Group's like for like net debt position improved by just under £90m compared with the position at 30 June 2019.

Principal risks and uncertainties

The key risks and uncertainties relating to the Group's operations remain largely consistent with those disclosed in the Group's Annual Report and Accounts 2019. These are listed below, please refer to pages 27 to 30 thereof or to our investors' page on www.savills.com.

- Covid-19
- Business conditions, general economy and geopolitical issues
- Achieving the right market positioning in response to the needs of our clients
- Recruitment and retention of high-calibre staff
- Reputational and brand risk
- Legal risk
- Failure or significant interruption to IT systems causing disruption to client service
- Operational resilience/Business Continuity
- Business conduct
- Changes in the regulatory environment/regulatory breaches
- Acquisition/integration risk

Since the Group's Annual Report and Accounts 2019 were released, the impact of Covid-19 on global markets and activity has intensified. Despite this, we remain confident in the Group's capability to withstand all modelled scenarios for the next 18 months and our mitigating actions for this risk remain the same.

Summary and outlook

In the context of the significant impact of Covid-19 on global markets in the second quarter, Savills resilient interim results highlight the diversity and strength of our Global business. During this period, our less transactional businesses have provided a solid platform for the Group and our transactional business teams have partially mitigated the effect of significantly lower levels of trading activity by winning increased market share. Much of this is due to our strategy of remaining open for business throughout, retaining the strength of our teams and focussing resolutely on addressing both the pandemic-related, and longer term, needs of our clients.

Looking forward, as a consequence of Covid-19 the economic environment remains highly uncertain, chiefly in respect of expected recovery trajectories across the world and the occurrence of second wave outbreaks causing further lockdowns. In addition, it is unclear how significantly the longer term economic impact of Covid-19 will weigh on corporate and investor sentiment. That said, the wider context for real estate investment is largely positive with the expectation of low interest rates for longer and continued, or enhanced, investor demand for income reflected in increased allocations to Real Asset backed strategies.

In recent weeks we have seen signs of recovery in residential markets and a number of commercial transaction markets around the world. Clearly, our performance in the second half of 2020 will be highly dependent upon the extent to which such signs become a sustained recovery for the markets in which we operate.

In view of the lack of certainty over the impact of Covid-19 over the coming months, the 2019 final dividend was cancelled and the Board is not declaring an interim dividend. We remain focused on long term shareholder returns, and will look to restart distributions as soon as is prudently appropriate.

Savills is a resilient, globally diversified business with a strong balance sheet. We are confident in the Group’s ability to withstand all modelled scenarios for the year and to continue both to execute our growth strategies and deliver a resilient performance in 2020.

Mark Ridley
Group Chief Executive

Nicholas Ferguson CBE
Chairman

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors confirm that this condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed consolidated interim financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- material related party transactions in the first six months of the financial year and any material changes in the related party transactions described in the last Annual Report.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors of Savills plc are listed in the Company's Report and Accounts for the year ended 31 December 2019. A list of current Directors is maintained on the Savills plc website: www.savills.com.

By order of the Board

J Mark Ridley, Group Chief Executive
Simon Shaw, Group Chief Financial Officer
5 August 2020

FORWARD-LOOKING STATEMENTS

The financial information contained in this announcement has not been audited. Certain statements made in this announcement are forward-looking statements. Undue reliance should not be placed on such statements, which are based on current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from any expected future results in forward-looking statements.

The Company accepts no obligation to publicly revise or update these forward-looking statements or adjust them to future events or developments, whether as a result of new information, future events or otherwise, except to the extent legally required.

INDEPENDENT REVIEW REPORT TO SAVILLS PLC

REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Our conclusion

We have reviewed Savills Plc's condensed consolidated interim financial statements (the "interim financial statements") in the results for the half year of Savills Plc for the 6 month period ended 30 June 2020. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim financial statements comprise:

- the condensed interim consolidated statement of financial position as at 30 June 2020;
- the condensed interim consolidated income statement and condensed interim consolidated statement of comprehensive income for the period then ended;
- the condensed interim consolidated statement of cash flows for the period then ended;
- the condensed interim consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the results for the half year have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

RESPONSIBILITIES FOR THE INTERIM FINANCIAL STATEMENTS AND THE REVIEW

Our responsibilities and those of the directors

The results for the half year, including the interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the results for the half year in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the results for the half year based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

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 enquiries, 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, 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.

We have read the other information contained in the results for the half year and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
5 August 2020
London

Savills plc
Condensed interim consolidated income statement
for the period ended 30 June 2020

	Note	**Six months to 30 June 2020 (unaudited) £m**	Six months to 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Revenue	6	**791.4**	847.0	1,930.0
Less:				
Employee benefits expense		**(514.1)**	(545.3)	(1,240.5)
Depreciation		**(31.8)**	(30.3)	(60.6)
Amortisation of intangible assets and impairment of goodwill		**(4.6)**	(4.8)	(10.4)
Other operating expenses		**(231.8)**	(241.0)	(505.1)
Other operating income		**0.1**	0.2	0.5
Other gains		**-**	0.3	1.7
Operating profit		**9.2**	26.1	115.6
Finance income		**1.6**	3.0	6.5
Finance costs		**(8.1)**	(9.1)	(18.3)
		(6.5)	(6.1)	(11.8)
Share of post-tax profit from joint ventures and associates		**5.0**	4.7	11.8
Profit before income tax		**7.7**	24.7	115.6
Income tax expense	8	**(2.2)**	(7.1)	(32.0)
Profit for the period		**5.5**	17.6	83.6
Attributable to:				
Owners of the parent		**5.4**	17.5	82.9
Non-controlling interests		**0.1**	0.1	0.7
		5.5	17.6	83.6
Earnings per share				
Basic earnings per share	10(a)	**3.9p**	12.8p	60.6p
Diluted earnings per share	10(a)	**3.8p**	12.5p	58.8p

Supplementary income statement information

Reconciliation to underlying profit before income tax				
Profit before income tax		**7.7**	24.7	115.6
- restructuring and acquisition-related costs	7	**2.8**	11.4	25.2
- other underlying adjustments	7	**2.7**	2.3	2.6
Underlying profit before income tax	7	**13.2**	38.4	143.4

Underlying earnings per share				
Basic earnings per share	10(b)	**7.0p**	20.9p	78.0p
Diluted earnings per share	10(b)	**6.8p**	20.4p	75.7p

Notes 1 to 21 are an integral part of these condensed interim financial statements.

Savills plc
Condensed interim consolidated statement of comprehensive income
for the period ended 30 June 2020

	Six months to 30 June 2020 (unaudited) £m	Six months to 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Profit for the period	**5.5**	17.6	83.6
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit pension scheme and employee benefit obligations	**(1.4)**	(12.6)	(23.2)
Changes in fair value of equity investments at FVOCI	**(7.4)**	(0.8)	(0.3)
Tax on items that will not be reclassified	**0.3**	2.4	4.4
Total items that will not be reclassified to profit or loss	**(8.5)**	(11.0)	(19.1)
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences	**32.9**	0.4	(21.0)
Tax on items that may be reclassified	**(1.2)**	0.7	3.8
Total items that may be reclassified subsequently to profit or loss	**31.7**	1.1	(17.2)
Other comprehensive income/(loss) for the period, net of tax	**23.2**	(9.9)	(36.3)
Total comprehensive income for the period	**28.7**	7.7	47.3
Total comprehensive income attributable to:			
Owners of the parent	**28.6**	7.7	46.6
Non-controlling interests	**0.1**	-	0.7
	28.7	7.7	47.3

Notes 1 to 21 are an integral part of these condensed interim financial statements.

Savills plc
Condensed interim consolidated statement of financial position
at 30 June 2020

	Note	**30 June 2020 (unaudited) £m**	30 June 2019 (unaudited) £m	31 December 2019 (audited) £m
Assets: Non-current assets				
Property, plant and equipment		**68.6**	71.4	68.9
Right of use assets		**232.5**	238.3	226.2
Goodwill	13	**394.8**	385.7	374.2
Intangible assets		**51.3**	47.0	44.5
Investments in joint ventures and associates		**55.1**	51.7	51.4
Deferred income tax assets		**40.5**	31.5	32.7
Financial assets at fair value through other comprehensive income ('FVOCI')	14	**25.0**	31.3	32.6
Contract assets		**1.5**	1.2	1.6
Other receivables		**35.1**	28.2	27.3
		904.4	886.3	859.4
Assets: Current assets				
Contract assets		**7.6**	7.8	7.5
Trade and other receivables		**427.2**	480.9	568.9
Income tax receivable		**4.0**	5.9	3.6
Derivative financial instruments		**0.1**	0.1	0.2
Cash and cash equivalents		**235.6**	161.2	209.9
		674.5	655.9	790.1
Liabilities: Current liabilities				
Borrowings	17	**78.0**	152.1	33.4
Lease liabilities		**47.5**	45.9	45.3
Derivative financial instruments		**0.2**	0.1	0.1
Contract liabilities		**9.2**	8.5	10.8
Trade and other payables		**430.0**	402.6	589.9
Income tax liabilities		**11.8**	7.8	17.2
Employee benefit obligations	15	**23.2**	18.9	16.2
Provisions		**10.2**	7.0	10.7
		610.1	642.9	723.6
Net current assets		**64.4**	13.0	66.5
Total assets less current liabilities		**968.8**	899.3	925.9
Liabilities: Non-current liabilities				
Borrowings	17	**148.2**	148.1	148.0
Lease liabilities		**228.6**	234.2	221.8
Other payables		**15.0**	22.4	17.7
Retirement and employee benefit obligations	15	**21.5**	15.1	20.5
Provisions		**14.0**	13.1	12.6
Deferred income tax liabilities		**4.9**	4.9	2.1
		432.2	437.8	422.7
Net assets		**536.6**	461.5	503.2
Equity				
Share capital		**3.6**	3.6	3.6
Share premium		**97.2**	96.8	97.2
Other reserves		**121.0**	117.3	95.5

Retained earnings	**314.0**	243.3	306.2
Equity attributable to owners of the parent	**535.8**	461.0	502.5
Non-controlling interests	**0.8**	0.5	0.7
Total equity	**536.6**	461.5	503.2

Notes 1 to 21 are an integral part of these condensed interim financial statements.

Savills plc
Condensed interim consolidated statement of changes in equity
for the period ended 30 June 2020

	Attributable to owners of the parent						
	Share capital £m	**Share premium £m**	**Other reserves £m**	**Retained earnings £m**	**Total £m**	**Non-controlling interests £m**	**Total equity £m**
Balance at 1 January 2020 (audited)	**3.6**	**97.2**	**95.5**	**306.2**	**502.5**	**0.7**	**503.2**
Profit for the period	**-**	**-**	**-**	**5.4**	**5.4**	**0.1**	**5.5**
Other comprehensive (loss)/income:							
Changes in fair value of equity investments at FVOCI	**-**	**-**	**(7.4)**	**-**	**(7.4)**	**-**	**(7.4)**
Remeasurement of defined benefit pension scheme obligation / retirement benefits	**-**	**-**	**-**	**(1.4)**	**(1.4)**	**-**	**(1.4)**
Tax on items directly taken to reserves	**-**	**-**	**-**	**(0.9)**	**(0.9)**	**-**	**(0.9)**
Currency translation differences	**-**	**-**	**32.9**	**-**	**32.9**	**-**	**32.9**
Total comprehensive income for the period	**-**	**-**	**25.5**	**3.1**	**28.6**	**0.1**	**28.7**
Employee share option scheme:							
- Value of services provided	**-**	**-**	**-**	**11.2**	**11.2**	**-**	**11.2**
Purchase of treasury shares	**-**	**-**	**-**	**(6.5)**	**(6.5)**	**-**	**(6.5)**
Balance at 30 June 2020 (unaudited)	**3.6**	**97.2**	**121.0**	**314.0**	**535.8**	**0.8**	**536.6**

	Attributable to owners of the parent						
	Share capital £m	**Share premium £m**	**Other reserves £m**	**Retained earnings £m**	**Total £m**	**Non-controlling interests £m**	**Total equity £m**
Balance at 1 January 2019 (audited)	**3.6**	**96.6**	**117.6**	**286.5**	**504.3**	**0.7**	**505.0**
Change in accounting policy (IFRS 16 adoption)	**-**	**-**	**-**	**(9.3)**	**(9.3)**	**-**	**(9.3)**
Balance at 1 January 2019 (restated)	**3.6**	**96.6**	**117.6**	**277.2**	**495.0**	**0.7**	**495.7**
Profit for the period	**-**	**-**	**-**	**17.5**	**17.5**	**0.1**	**17.6**
Other comprehensive (loss)/income:							
Changes in fair value of equity investments at FVOCI	**-**	**-**	**(0.8)**	**-**	**(0.8)**	**-**	**(0.8)**
Remeasurement of defined benefit pension scheme obligation / retirement benefits	**-**	**-**	**-**	**(12.6)**	**(12.6)**	**-**	**(12.6)**
Tax on items directly taken to reserves	**-**	**-**	**-**	**3.1**	**3.1**	**-**	**3.1**
Currency translation differences	**-**	**-**	**0.5**	**-**	**0.5**	**(0.1)**	**0.4**
Total comprehensive (loss) / income for the period	**-**	**-**	**(0.3)**	**8.0**	**7.7**	**-**	**7.7**
Employee share option scheme:							
- Value of services provided	**-**	**-**	**-**	**9.0**	**9.0**	**-**	**9.0**
Purchase of treasury shares	**-**	**-**	**-**	**(14.0)**	**(14.0)**	**-**	**(14.0)**
Shares issued	**-**	**0.2**	**-**	**-**	**0.2**	**-**	**0.2**
Dividends	**-**	**-**	**-**	**(36.4)**	**(36.4)**	**-**	**(36.4)**
Transactions with non-controlling interests	**-**	**-**	**-**	**(0.5)**	**(0.5)**	**(0.2)**	**(0.7)**
Balance at 30 June 2019 (unaudited)	**3.6**	**96.8**	**117.3**	**243.3**	**461.0**	**0.5**	**461.5**

	Attributable to owners of the parent						
	Share capital £m	**Share premium £m**	**Other reserves £m**	**Retained earnings £m**	**Total £m**	**Non-controlling interests £m**	**Total equity £m**
Balance at 1 January 2019 (audited)	**3.6**	**96.6**	**117.6**	**286.5**	**504.3**	**0.7**	**505.0**
Change in accounting policy (IFRS 16 adoption)	**-**	**-**	**-**	**(9.3)**	**(9.3)**	**-**	**(9.3)**
Balance at 1 January 2019 (restated)	**3.6**	**96.6**	**117.6**	**277.2**	**495.0**	**0.7**	**495.7**
Profit for the year	**-**	**-**	**-**	**82.9**	**82.9**	**0.7**	**83.6**
Other comprehensive income/(loss):							
Remeasurement of defined benefit pension schemes and employment benefit obligations	**-**	**-**	**-**	**(23.2)**	**(23.2)**	**-**	**(23.2)**
Changes in fair value of financial assets at FVOCI	**-**	**-**	**(0.3)**	**-**	**(0.3)**	**-**	**(0.3)**
Tax on items directly taken to reserves	**-**	**-**	**-**	**8.2**	**8.2**	**-**	**8.2**
Currency translation differences	**-**	**-**	**(21.0)**	**-**	**(21.0)**	**-**	**(21.0)**
Total comprehensive (loss)/ income for the year	**-**	**-**	**(21.3)**	**67.9**	**46.6**	**0.7**	**47.3**
Employee share option scheme:							
- Value of services provided	**-**	**-**	**-**	**17.8**	**17.8**	**-**	**17.8**
Purchase of treasury shares	**-**	**-**	**-**	**(14.1)**	**(14.1)**	**-**	**(14.1)**
Shares issued	**-**	**0.6**	**-**	**-**	**0.6**	**-**	**0.6**
Dividends	**-**	**-**	**-**	**(42.8)**	**(42.8)**	**(0.5)**	**(43.3)**
Disposal of financial assets at FVOCI	**-**	**-**	**(0.8)**	**0.8**	**-**	**-**	**-**
Transactions with non-controlling interests	**-**	**-**	**-**	**(0.6)**	**(0.6)**	**(0.2)**	**(0.8)**
Balance at 31 December 2019 (audited)	**3.6**	**97.2**	**95.5**	**306.2**	**502.5**	**0.7**	**503.2**

Notes 1 to 21 are an integral part of these condensed interim financial statements.

Savills plc
Condensed interim consolidated statement of cash flows
for the period ended 30 June 2020

	Note	**Six months to 30 June 2020 (unaudited) £m**	Six months to 30 June 2019* (unaudited) £m	Year ended 31 December 2019 (audited) £m
Cash flows from operating activities				
Cash generated from/(used in) operations	11	**35.7**	(102.7)	132.6
Interest received		**1.5**	3.0	6.4
Interest paid		**(7.5)**	(8.7)	(17.8)
Income tax paid		**(13.6)**	(13.5)	(25.8)
Net cash generated from/(used in) operating activities		**16.1**	(121.9)	95.4
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		**0.1**	0.3	0.2
Proceeds from sale of equity investments		**1.5**	-	4.5
Proceeds from sale of interests in joint ventures, associates and other investments		**0.6**	0.5	2.1
Dividends received from joint ventures and associates		**3.2**	2.4	10.5
Loans to joint ventures and associates		**(0.3)**	-	(1.1)
Loans to other parties		**-**	-	(6.1)
Acquisition of subsidiaries, net of cash acquired		**(9.3)**	(1.5)	(1.5)
Deferred consideration paid in relation to current and prior year acquisitions		**(6.4)**	(2.7)	(5.0)
Purchase of property, plant and equipment		**(5.5)**	(11.9)	(16.2)
Purchase of intangible assets		**(2.9)**	(3.6)	(7.3)
Purchase of investment in joint ventures, associates and equity investments		**(0.5)**	(0.9)	(8.4)
Net cash used in investing activities		**(19.5)**	(17.4)	(28.3)
Cash flows from financing activities				
Proceeds from issue of share capital		**-**	0.2	0.6
Proceeds from borrowings		**76.6**	158.3	158.1
Repayments of borrowings		**(32.5)**	(9.0)	(125.2)
Financing fees paid		**-**	-	(1.8)
Principal elements of lease payments		**(22.6)**	(22.4)	(45.0)
Purchase of treasury shares		**(6.5)**	(14.0)	(14.1)
Purchase of non-controlling interests		**-**	(0.9)	(0.1)
Dividends paid		**-**	(36.4)	(43.3)
Net cash received from / (used in) financing activities		**15.0**	75.8	(70.8)
Net increase / (decrease) in cash, cash equivalents and bank overdrafts		**11.6**	(63.5)	(3.7)
Cash, cash equivalents and bank overdrafts at beginning of period		**209.8**	223.9	223.9
Effect of exchange rate fluctuations on cash held		**14.1**	0.1	(10.4)
Cash, cash equivalents and bank overdrafts at end of period		**235.5**	160.5	209.8

Notes 1 to 21 are an integral part of these condensed interim financial statements.

* H1 2019 cash flow statement has been restated to reflect employment-linked deferred consideration payments within cash generated from operations, previously shown as cash used in investing activities. This reflects the requirement for recipients to remain engaged actively in the business at the payment date and is consistent with the change in presentation at the 2019 year end.

NOTES

1. General information

The Company is a public limited company incorporated and domiciled in England and Wales. The address of its registered office is 33 Margaret Street, London W1G 0JD.

This condensed consolidated interim financial information was approved for issue by the Board of Directors on 5 August 2020.

This condensed consolidated interim financial information does not comprise statutory financial statements within the meaning of section 434 of the Companies Act 2006. Statutory financial statements for the year ended 31 December 2019 were approved by the Board of Directors on 11 March 2020 and delivered to the Registrar of Companies. The auditors' report on these accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain a statement under section 498 of the Companies Act 2006.

This condensed consolidated interim financial information has been reviewed, not audited.

2. Basis of preparation

This condensed consolidated interim financial information for the half-year ended 30 June 2020 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34, 'Interim financial reporting' as adopted by the European Union. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with IFRSs as adopted by the European Union.

Going concern
Management has performed a detailed going concern assessment that reflects the significant uncertainty arising from the Covid-19 pandemic. This assessment tests the Group's liquidity and banking covenant compliance up until the end of 2021. The assessment includes detailed downside scenario analysis, considering the current impact of Covid-19 and replicating market recovery trends from the Global Financial Crisis from 2008/2009.

The assessment concluded that the Group has sufficient headroom for liquidity and covenant compliance purposes in respect of its current borrowing facilities (see Note 17 for information on the current level of undrawn facilities) over this period.

As a result, the Directors consider that the Group has adequate resources in place for at least 12 months from the date of these results and have therefore adopted the going concern basis of accounting in preparing the interim financial information.

3. Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2019, as described in those financial statements.

- During the period, in which certain aspects of our business were prevented from trading due to lock down restrictions (e.g. UK residential sales), the Group received furlough, and similar government granted wage cost subsidies totalling a net £7.0m worldwide. This equates to 1.4% of the Group's employee benefit cost during the period.

The Group recognises this government subsidy income when there is reasonable assurance that the financial assistance will be received and, where applicable, when the Group is able to demonstrate its ability to comply with any conditions of the support scheme. The income is recognised in the income statement over the period necessary to match the income with the related cost and is deducted against the related expense in the income statement. The majority of financial assistance received by the Group is in relation to employee costs and is included as income within the employee benefits expense line.

- Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

Adoption of standards, amendments and interpretations to standards
Standards, amendments and interpretations endorsed by the EU and mandatorily effective for the first time for the financial year beginning 1 January 2020 that are not relevant or considered to have a significant impact on the Group and its financial statements include the following:

Amendments to IFRS 3	Definition of a business in business combinations
Amendments to IAS 1	Definition of material
Amendments to IFRS 9 and IAS 39	Interest rate benchmark reform impact
Amendments to IFRS 16	Covid-19 related rent concessions
Amendments to IFRS 9 and IFRS 4	Insurance contracts

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Use of non-GAAP measures
The Group believes that the consistent presentation of underlying profit before tax, underlying effective tax rate, underlying basic earnings per share and underlying diluted earnings per share provides additional useful information to shareholders on the underlying trends and comparable performance of the Group over time. The 'underlying' measures are also used by Savills for internal performance analysis and incentive compensation arrangements for employees. All the adjustments made to the GAAP measures are considered exceptional and/or non-operational in nature. These terms are not defined terms under IFRS and may therefore not be comparable with similarly-titled profit measures reported by other companies. They are not intended to be a substitute for, or superior to, GAAP measures.

The term 'underlying' refers to the relevant measure of profit, earnings or taxation being reported excluding the impact (pre and post-tax where applicable) of the following items:

- amortisation of acquired intangible assets (excluding software);
- the difference between IFRS 2, 'Share-based Payment' ('IFRS 2'), charges related to outstanding bonus-related deferred share awards and the estimated value of the current year bonus pool expected to be allocated to deferred share awards (refer to Note 7 for further explanation);
- items that are considered exceptional by size or nature including restructuring costs, impairments of goodwill, intangible assets and investments and profits or losses arising on disposals of subsidiaries and other investments; and
- significant acquisition costs related to business combinations.

The underlying effective tax rate represents the underlying income tax expense expressed as a percentage of underlying profit before tax. The underlying income tax expense is the income tax expense excluding the tax effect of the adjustments made to arrive at underlying profit before tax and other tax effects related to these adjustments.

Underlying basic earnings per share and underlying diluted earnings per share both utilise the underlying profit after tax measure instead of GAAP earnings. The weighted average number of shares remain the same as the GAAP measure.

A reconciliation between GAAP and underlying measures are set out in Note 7 (underlying profit before tax) and Note 10(b) (underlying basic earnings per share and underlying diluted earnings per share).

The Group also refers to revenue and underlying profit on a constant currency basis which are both non-GAAP measures. Constant currency results are calculated by translating the current year revenue and underlying profit using the prior year exchange rates. This measure allows the Group to assess the results of the current year compared to the prior year, excluding the impact of foreign currency movements.

4. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2019, with the exception of changes in estimates that are required in determining the provision for income taxes and updates to assumptions utilised as part of the goodwill impairment review (see Note 13 for the outcome of this review). In addition, refer to Note 16 for information on the updated expected credit loss provision in relation to trade receivables.

5. Financial risk management

Financial risk factors
The Group’s activities expose it to a variety of financial risks including foreign exchange risk, interest rate risk, credit risk and liquidity risk. The condensed interim financial statements do not include all financial risk management information and disclosures as required in the annual financial statements; they should be read in conjunction with the Group’s annual financial statements as at 31 December 2019. There have been no changes in any risk management policies since the year end.

Fair value estimation
The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

– Quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1).
– Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
– Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2020:

£m	Level 1	Level 2	Level 3	Total
2020				
Assets				
Financial assets held at FVOCI				
- Listed	**0.9**	**-**	**-**	**0.9**
- Unlisted	**-**	**5.7**	**18.4**	**24.1**
Derivative financial instruments	**-**	**0.1**	**-**	**0.1**
Total assets	**0.9**	**5.8**	**18.4**	**25.1**
Liabilities				
Derivative financial instruments	-	0.2	-	0.2
Total liabilities	-	0.2	-	0.2

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2019:

£m	Level 1	Level 2	Level 3	Total
2019				
Assets				
Financial assets held at FVOCI				
- Listed	0.8	-	-	0.8
- Unlisted	-	6.9	24.9	31.8
Derivative financial instruments	-	0.2	-	0.2
Total assets	0.8	7.1	24.9	32.8
Liabilities				
Derivative financial instruments	-	0.1	-	0.1
Total liabilities	-	0.1	-	0.1

There were no transfers between levels of the fair value hierarchy in the period.

There were no changes in valuation techniques during the period.

The fair value of all other financial assets and liabilities approximate their carrying amount.

Valuation techniques

Level 1 instruments are those whose fair values are based on quoted market prices.

Level 2 instruments include investment funds, the fair value of these funds are based on underlying asset values determined by the Fund Manager's audited annual financial statements. The fair value of derivative financial instruments is based on the market value of similar instruments with similar maturities.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Unlisted equity securities where cost has been determined as the best approximation of fair value are included in Level 3. Cost is considered the best approximation of fair value in these instances either due to insufficient more recent information being available and/or there being a wide range of possible fair value measurements due to the nature of the investments and cost is considered the best estimate of fair value within the range.

6. Segment analysis

Six months to 30 June 2020 (unaudited)	Trans-action Advisory £m	Consult-ancy £m	Property and Facilities Manage-ment £m	Invest-ment Manage-ment £m	Other £m	Total £m
Revenue						
United Kingdom						
- commercial	**30.9**	**74.0**	**93.3**	**12.7**	**-**	**210.9**
- residential	**52.9**	**18.2**	**16.8**	**-**	**-**	**87.9**
Total United Kingdom	**83.8**	**92.2**	**110.1**	**12.7**	**-**	**298.8**
Europe & the Middle East	**38.1**	**16.3**	**37.7**	**15.3**	**-**	**107.4**
Asia Pacific						
- commercial	**41.5**	**32.4**	**190.0**	**2.5**	**-**	**266.4**
- residential	**13.3**	**-**	**-**	**-**	**-**	**13.3**
Total Asia Pacific	**54.8**	**32.4**	**190.0**	**2.5**	**-**	**279.7**
North America	**101.8**	**3.7**	**-**	**-**	**-**	**105.5**
Total revenue	**278.5**	**144.6**	**337.8**	**30.5**	**-**	**791.4**
Underlying profit/(loss) before tax						
United Kingdom						
- commercial	**0.9**	**5.0**	**4.7**	**1.3**	**(4.3)**	**7.6**
- residential	**1.6**	**1.1**	**0.4**	**-**	**-**	**3.1**
Total United Kingdom	**2.5**	**6.1**	**5.1**	**1.3**	**(4.3)**	**10.7**
Europe & the Middle East	**(9.8)**	**2.4**	**0.2**	**2.8**	**-**	**(4.4)**
Asia Pacific						
- commercial	**(4.4)**	**2.0**	**12.4**	**0.2**	**-**	**10.2**
- residential	**1.6**	**-**	**-**	**-**	**-**	**1.6**
Total Asia Pacific	**(2.8)**	**2.0**	**12.4**	**0.2**	**-**	**11.8**
North America	**(4.6)**	**(0.3)**	**-**	**-**	**-**	**(4.9)**
Underlying profit/(loss) before tax	**(14.7)**	**10.2**	**17.7**	**4.3**	**(4.3)**	**13.2**

Six months to 30 June 2019 (unaudited)	Trans-action Advisory £m	Consult -ancy £m	Property and Facilities Manage-ment £m	Invest-ment Manage -ment £m	Other £m	Total £m
Revenue						
United Kingdom						
- commercial	31.4	73.3	89.5	13.9	-	208.1
- residential	57.3	20.1	18.1		-	95.5
Total United Kingdom	88.7	93.4	107.6	13.9	-	303.6
Europe & the Middle East	43.0	16.4	38.1	15.8	-	113.3
Asia Pacific						
- commercial	68.2	32.7	180.0	2.8	-	283.7
- residential	14.7	-	-	-	-	14.7
Total Asia Pacific	82.9	32.7	180.0	2.8	-	298.4
North America	131.7	-	-	-	-	131.7
Total revenue	346.3	142.5	325.7	32.5	-	847.0
Underlying profit/(loss) before tax						
United Kingdom						
- commercial	1.3	6.2	5.6	2.2	(4.8)	10.5
- residential	3.5	2.2	1.2	-	-	6.9
Total United Kingdom	4.8	8.4	6.8	2.2	(4.8)	17.4
Europe & the Middle East	(7.2)	2.1	0.8	3.1	-	(1.2)
Asia Pacific						
- commercial	4.2	1.0	8.6	0.3	-	14.1
- residential	1.4	-	-	-	-	1.4
Total Asia Pacific	5.6	1.0	8.6	0.3	-	15.5
North America	6.7	-	-	-	-	6.7
Underlying profit/(loss) before tax	9.9	11.5	16.2	5.6	(4.8)	38.4

Year ended to 31 December 2019 (audited)	Trans-action Advisory £m	Consult-ancy £m	Property and Facilities Manage-ment £m	Invest-ment Manage-ment £m	Other £m	Total £m
Revenue						
United Kingdom						
- commercial	94.2	180.3	190.1	33.2	-	497.8
- residential	139.1	49.6	41.0	-	-	229.7
Total United Kingdom	233.3	229.9	231.1	33.2	-	727.5
Europe & the Middle East	127.5	38.6	80.9	35.4	-	282.4
Asia Pacific						
- commercial	138.6	69.6	372.5	10.6	-	591.3
- residential	35.8	-	-	-	-	35.8
Total Asia Pacific	174.4	69.6	372.5	10.6	-	627.1
North America	293.0	-	-	-	-	293.0
Total revenue	828.2	338.1	684.5	79.2	-	1,930.0
Underlying profit/(loss) before tax						
United Kingdom						
- commercial	12.3	19.4	12.1	9.0	(14.2)	38.6
- residential	17.8	7.6	3.7	-	-	29.1
Total United Kingdom	30.1	27.0	15.8	9.0	(14.2)	67.7
Europe & the Middle East	5.4	2.9	0.2	7.3	-	15.8
Asia Pacific						
- commercial	12.4	4.6	19.2	1.8	-	38.0
- residential	4.6	-	-	-	-	4.6
Total Asia Pacific	17.0	4.6	19.2	1.8	-	42.6
North America	17.3	-	-	-	-	17.3
Underlying profit/(loss) before tax	69.8	34.5	35.2	18.1	(14.2)	143.4

Operating segments reflect internal management reporting to the Group's chief operating decision maker, defined as the Group Executive Board (GEB). The GEB assesses the performance of operating segments based on a measure of underlying profit before tax which adjusts reported pre-tax profit by profit/(loss) on disposals, share-based payment adjustment, significant restructuring costs, acquisition-related costs, amortisation of acquired intangible assets (excluding software) and impairments.

The Other segment includes revenue, costs and other expenses at holding company and subsidiary levels, which are not directly attributable to the operating activities of the Group's business segments.

A reconciliation of underlying profit before tax to reported profit before tax is provided in Note 7.

7. Underlying profit before tax

The Directors seek to present a measure of underlying performance which is not impacted by exceptional items or items considered non-operational in nature. This measure is described as 'underlying' and is used by management to assess and monitor performance.

	Six months to 30 June 2020 (unaudited) £m	Six months to 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Reported profit before tax	**7.7**	24.7	115.6
Adjustments:			
- Amortisation of acquired intangible assets (excluding software)	**2.3**	3.7	6.9
- Share-based payment adjustment	**0.4**	(1.1)	(2.6)
- Profit on disposal of subsidiaries and joint ventures	**-**	(0.3)	(1.7)
- Restructuring costs	**1.0**	4.3	11.5
- Acquisition-related costs	**1.8**	7.1	13.7
Underlying profit before tax	**13.2**	38.4	143.4

The adjustment for share-based payments relates to the impact of the accounting standard for share-based compensation. The annual bonus is paid in a mixture of cash and deferred shares and the proportions can vary from one year to another. Under IFRS the deferred share element is amortised to the income statement over the vesting period whilst the cash element is expensed in the year. The adjustment above addresses this by adding to or deducting from profit the difference between the IFRS 2 charge in relation to outstanding bonus-related share awards and the estimated value of the current year bonus pool to be awarded in deferred shares. This adjustment is made in order to better match the underlying staff cost in the year with the revenue recognised in the same period.

The profit on disposal in the period ended 30 June 2019 related to the disposal of the Group’s interest in a Chinese joint venture.

Restructuring costs includes costs of integration activities in relation to significant business acquisitions. Costs in the period ended 30 June 2020 relate primarily to the ongoing cost of deferred shares issued in relation to the restructuring upon acquisition of Aguirre Newman in 2017. Costs in the period ended 30 June 2019 relate primarily to the rebranding of the North America business to Savills.

Acquisition related costs includes a net £2.3m charge for future consideration payments which are contingent on the continuity of recipients’ employment in the future (30 June 2019: £6.9m). For the period ended 30 June 2020, a large portion of the charge related to recent acquisitions in the UK and US. For the period ended 30 June 2019, a significant portion of the charge related to the Aguirre Newman acquisition in 2017. In the current year, acquisition related costs also consist of a £0.8m credit in relation to the Cluttons Middle East acquisition in 2018.

8. Income tax expense

The income tax expense has been calculated on the basis of the statutory rates in each jurisdiction adjusted for any disallowable charges.

	Six months to 30 June 2020 (unaudited) £m	Six months to 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
UK			
- Current tax	**2.0**	3.5	12.8
- Deferred tax	**(2.0)**	(2.1)	(3.3)
Foreign tax			
- Current tax	**6.6**	6.1	22.8
- Deferred tax	**(4.4)**	(0.4)	(0.3)
Income tax expense	**2.2**	7.1	32.0

The forecast Group effective tax rate is 28.6% (30 June 2019: 28.7% and 31 December 2019: 27.7%), which is higher (30 June 2019 and 31 December 2019: higher) than the UK standard effective annual rate of corporation tax of 19% (30 June 2019 and 31 December 2019: 19%). This reflects permanent disallowable expenses, including acquisition costs. The Group underlying effective tax rate was 27.1% (30 June 2019: 25.3% and 31 December 2019: 25.1%).

9. Dividends

	Six months to 30 June 2020 (unaudited) £m	Six months to 30 June 2019 (unaudited) £m	Year ended 31 December 2019 (audited) £m
Amounts recognised as distribution to equity holders in the period:			
Ordinary final dividend of £nil per share (2018: 10.8p)	**-**	14.9	14.8
Supplemental interim dividend of £nil per share (2018: 15.6p)	**-**	21.5	21.3
Interim dividend of 4.95p per share	**-**	-	6.7
	-	36.4	42.8

On 1 April 2020, the proposed ordinary final dividend and supplemental interim dividend for 2019 were withdrawn in order to retain sufficient cash reserves to mitigate the effect of the uncertainty over the impact of COVID-19. The decision on any shareholder distributions for the year has been postponed until the trajectory of Global recovery and the Group's outcome for 2020 have become clearer.

10(a). Basic and diluted earnings per share

Six months to 30 June (unaudited)	**2020 Earnings £m**	**2020 Shares million**	**2020 EPS pence**	2019 Earnings £m	2019 Shares million	2019 EPS pence
Basic earnings per share	**5.4**	**138.3**	**3.9**	17.5	136.3	12.8
Effect of additional shares issuable under option	**-**	**2.6**	**(0.1)**	-	3.7	(0.3)
Diluted earnings per share	**5.4**	**140.9**	**3.8**	17.5	140.0	12.5

Year to 31 December (audited)	2019 Earnings £m	2019 Shares million	2019 EPS pence
Basic earnings per share	82.9	136.7	60.6
Effect of additional shares issuable under option	-	4.2	(1.8)
Diluted earnings per share	82.9	140.9	58.8

10(b). Underlying basic and diluted earnings per share

Six months to 30 June (unaudited)	**2020 Earnings £m**	**2020 Shares million**	**2020 EPS pence**	2019 Earnings £m	2019 Shares million	2019 EPS pence
Basic earnings per share	**5.4**	**138.3**	**3.9**	17.5	136.3	12.8
- Amortisation of acquired intangible assets (excluding software) after tax	**1.5**	**-**	**1.1**	2.7	-	2.0
- Share-based payment adjustment after tax	**0.4**	**-**	**0.3**	(1.3)	-	(1.0)
- Restructuring costs after tax	**0.8**	**-**	**0.6**	3.2	-	2.3
- Profit on disposal of subsidiary and equity investments after tax	**-**	**-**	**-**	(0.2)	-	(0.1)
- Acquisition-related costs after tax	**1.5**	**-**	**1.1**	6.7	-	4.9
Underlying basic earnings per share	**9.6**	**138.3**	**7.0**	28.6	136.3	20.9
Effect of additional shares issuable under option	**-**	**2.6**	**(0.2)**	-	3.7	(0.5)
Underlying diluted earnings per share	**9.6**	**140.9**	**6.8**	28.6	140.0	20.4

Year to 31 December (audited)	2019 Earnings £m	2019 Shares million	2019 EPS pence
Basic earnings per share	82.9	136.7	60.6
- Amortisation of acquired intangible assets (excluding software) after tax	5.1	-	3.7
- Share-based payment adjustment after tax	(2.2)	-	(1.6)
- Profit on disposal of available-for-sale investments after tax	(1.2)	-	(0.9)
- Restructuring costs after tax	9.3	-	6.8
- Acquisition-related costs after tax	12.8	-	9.4
Underlying basic earnings per share	106.7	136.7	78.0
Effect of additional shares issuable under option	-	4.2	(2.3)
Underlying diluted earnings per share	106.7	140.9	75.7

11. Cash generated from/(used in) operations

	Six months to 30 June 2020 (unaudited) £m	Six months to 30 June 2019* (unaudited) £m	Year ended 31 December 2019 (audited) £m
Profit for the period	**5.5**	17.6	83.6
Adjustments for:			
Income tax (Note 8)	**2.2**	7.1	32.0
Depreciation	**31.8**	30.3	60.6
Amortisation of intangible assets	**4.6**	4.8	10.4
Loss on disposal of property, plant and equipment and intangible assets	**-**	-	1.4
Profit on disposal of subsidiaries, joint ventures and equity investments	**-**	(0.3)	(1.7)
Net finance cost	**6.5**	6.1	11.8
Share of post-tax profit from joint ventures and associates	**(5.0)**	(4.7)	(11.8)
Increase/(decrease) in employee and retirement obligations	**4.8**	(3.1)	(9.5)
Exchange movements on operating activities	**0.7**	(0.1)	(0.2)
Increase in provisions	**0.6**	0.1	3.4
Charge for share-based compensation	**11.2**	9.0	17.8
Operating cash flows before movements in working capital	**62.9**	66.8	197.8
Decrease/(increase) in trade and other receivables and contract assets	**157.0**	41.6	(50.7)
Decrease in trade and other payables and contract liabilities	**(184.2)**	(211.1)	(14.5)
Cash generated from/(used in) operations	**35.7**	(102.7)	132.6

* H1 2019 has been restated to reflect employment-linked deferred consideration payments within cash generated from operations, previously shown as cash used in investing activities. This reflects the requirement for recipients to remain engaged actively in the business at the payment date and is consistent with the change in presentation at the 2019 year end.

12. Acquisition of subsidiaries

Macro Consultants LLC (‘Macro’)
On 1 March 2020 the Group acquired 100% of the equity interest in Macro Consultants LLC, complementing our existing services while accelerating the expansion of Savills advisory and management service platform in the United States.

Total acquisition consideration is provisionally determined at £10.8m, £9.3m of which was settled on completion and the remainder relating to the discounted value of deferred payments of £1.5m. The deferred payments are payable in 6 separate instalments between September 2021 and September 2027.

In addition to the above, an earn-out is payable on an annual basis between 2021 until 2027 and is measured against revenue and income targets. The maximum earn-out payment under the agreement totals £23.3m and is deemed to be linked to continued active engagement with the business. As required by IFRS 3 (revised), the expected value of these payments will be expensed to the income statement over the relevant period of engagement.

Acquisition-related costs of £0.2m have been expensed as incurred to the income statement.

The fair value exercise is in progress and goodwill of £2.9m has been provisionally determined. Goodwill is attributable to the experience and expertise of key staff and strong industry reputation and is expected to be deductible for tax purposes over a period of 15 years.

The acquired business contributed revenue of £3.7m and a loss of £0.3m to the Group for the period from 1 March 2020 to 30 June 2020. Had the acquisition been made at the beginning of the financial year, revenue would have been £5.8m and the loss would have been £0.7m.

The fair values of the assets acquired and liabilities assumed are provisional and will be finalised within 12 months of the acquisition date. These are summarised below:

	Provisional fair value to the Group £m
Property, plant and equipment	0.1
Right of use asset	1.3
Intangible assets	7.8
Lease liability	(1.3)
Net assets acquired	**7.9**
Goodwill	2.9
Purchase consideration	**10.8**
Consideration satisfied by:	
Net cash paid	9.3
Discounted value of deferred consideration owing at reporting date	1.5
	10.8

13. Goodwill

The goodwill on a select number of cash-generating units has been tested for impairment, with value-in-use calculations updated with the most recent forecasted cash flow projections and discount rate assumptions. At this stage, no impairments have been identified by management however, dependent upon the future economic impact of COVID-19, there is potential for change in the key assumptions that may give rise to an impairment in some of the models. These assumptions will remain under review as the impact of Covid-19 on the real estate market and wider economy develops over the coming months.

14. Financial assets at FVOCI

As a result of Covid-19 related challenges to the planning markets in particular, the Group revalued its investment in Vucity Ltd, reducing the carrying value by £7.2m. This change in fair value has been recognised through other comprehensive income.

15. Retirement and employee benefit obligations

Defined benefit plans
The Group operates two defined benefit plans.

The Pension Plan of Savills (the 'UK Plan') is a UK-based plan which provided final salary pension benefits to some employees, but was closed with regard to future service-based benefit accrual with effect from 31 March 2010. From 1 April 2010, pension benefits for former members of the UK Plan are provided through the Group's defined contribution Personal Pension Plan.

The Savills Fund Management GMBH Plan (the 'SFM Plan') is a Germany-based plan which provides final salary benefits to 11 active employees and 104 former employees. The plan is closed to future service-based benefit accrual.

Significant actuarial pension assumptions are detailed in the Group's Annual Report and Accounts 2019 and are the same as at 31 December 2019 except for the following:

	UK Plan			**SFM Plan**		
	Six months to 30 June 2020	Six months to 30 June 2019	Year ended 31 December 2019	**Six months to 30 June 2020**	Six months to 30 June 2019	Year ended 31 December 2019
Expected rate of salary increases	**3.25%**	3.25%	3.25%	**2.50%**	2.50%	2.50%
Projection of social security contribution ceiling	**-**	-	-	**2.25%**	2.25%	2.25%
Discount rate	**1.50%**	2.30%	2.00%	**1.55%**	1.42%	1.39%
Inflation assumption	**3.10%**	3.40%	3.20%	**1.75%**	1.75%	1.75%
Rate of increase to pensions in payment						
- accrued before 6 April 1997	**3.00%**	3.00%	3.00%	**-**	-	-
- accrued after 5 April 1997	**3.00%**	3.20%	3.10%	**-**	-	-
- accrued after 5 April 2005	**2.20%**	2.30%	2.30%	**-**	-	-
- pension promise before 1 January 1986	**-**	-	-	**2.25%**	2.25%	2.25%
- pension promise after 1 January 1986	**-**	-	-	**1.75%**	1.75%	1.75%
Rate of increase to pensions in deferment						
- accrued before 6 April 2001	**5.00%**	5.00%	5.00%	**-**	-	-
- accrued after 5 April 2001	**2.30%**	2.40%	2.20%	**-**	-	-
- accrued after 5 April 2009	**2.30%**	2.40%	2.20%	**-**	-	-

The amounts recognised in the statement of financial position are as follows:

UK Plan	**30 June 2020 £m**	30 June 2019 £m	31 December 2019 £m
Present value of funded obligations	**339.4**	299.0	309.9
Fair value of plan assets	**(328.8)**	(295.9)	(300.5)
Liability recognised in the statement of financial position (included in retirement and employee benefit obligations)	**10.6**	3.1	9.4

SFM Plan	**30 June 2020 £m**	30 June 2019 £m	31 December 2019 £m
Present value of funded obligations	**15.2**	15.5	14.6
Fair value of plan assets	**(14.1)**	(14.7)	(13.8)
Liability recognised in the statement of financial position (included in retirement and employee benefit obligations)	**1.1**	0.8	0.8

The amount recognised within the income statement in relation to the UK Plan for the period ended 30 June 2020 is a net interest cost of £0.1m (30 June 2019: £nil, 31 December 2019: net interest income of £0.2m).

The amount recognised within the income statement in relation to the SFM Plan for the period ended 30 June 2020 is a current service cost of £nil (30 June 2019: £nil, 31 December 2019: £nil).

Included in retirement and employee benefit obligations is £33.0m relating to holiday pay and long service leave (30 June 2019: £30.9m, 31 December 2019: £26.5m).

16. Trade receivables - Loss allowance

The Group has no significant concentrations of credit risk. The trade receivables balance is spread across a large number of different customers and geographic regions.

Local management have assessed the expected credit losses for trade receivables as a result of the global financial uncertainty arising from Covid-19 and the expected loss rates have been reviewed based on their judgement as to the impact of the pandemic on their trade receivables portfolio. Overall, the expected loss rate on trade receivables has increased to 8.5% (31 December 2019: 5.5%) due to updates to the loss provisioning rates and more balances being greater than 180 days past due. This is to be expected given current economic conditions however local management continue to closely monitor cash collections and regularly engage with all clients.

A summary of trade receivables and the loss provision as at 30 June 2020 and 31 December 2019 has been provided below:

30 June 2020	Current	More than 30 days past due	More than 90 days past due	More than 180 days past due	Total
Gross carrying amount (£m)	167.4	82.5	36.3	46.6	332.8
Loss allowance provision (£m)					(28.2)
Net trade receivables (£m)					**304.6**
Expected loss rate					**8.5%**

31 December 2019	Current	More than 30 days past due	More than 90 days past due	More than 180 days past due	Total £m
Gross carrying amount (£m)	309.9	89.8	27.3	36.0	463.0
Loss allowance provision (£m)					(25.6)
Net trade receivables (£m)					**437.4**
Expected loss rate					**5.5%**

17. Borrowings

Movements in borrowings are analysed as follows:

	£m
Opening amount as at 1 January 2020	181.4
Additional borrowings	76.6
Repayments of borrowings (including overdraft movement)	(32.5)
Amortisation of transaction costs	0.2
Foreign exchange movement	0.5
Closing amount as at 30 June 2020	**226.2**

	30 June 2020 £m	30 June 2019 £m	31 December 2019 £m
Current			
Bank overdrafts	**0.1**	0.7	0.1
Unsecured bank loans	**77.9**	151.4	33.3
Non-current			
Loan notes	**150.0**	150.0	150.0
Transaction costs	**(1.8)**	(2.0)	(2.0)
Finance leases	**-**	0.1	-
	226.2	300.2	181.4

The Group has the following undrawn borrowing facilities:

	30 June 2020 £m	30 June 2019 £m	31 December 2019 £m
Floating rate			
- expiring within one year or on demand	**35.7**	35.9	45.3
- expiring between 1 and 5 years	**298.6**	216.6	328.0
	334.3	252.5	373.3

The Group holds a £360m multi-currency revolving credit facility ('RCF'), which includes a £90m accordion facility, expiring in June 2024. As at 30 June 2020 £62.0m (30 June 2019: £143.5m, 31 December 2019: £32.5m) of the RCF was drawn. The remaining unsecured bank loans reflect a £15.0m utilisation of a revolving credit facility in North America for working capital purposes, which is repayable within one year and denominated in US dollars (30 June 2019: £7.9m, 31 December 2019: £nil) and a £0.9m working capital loan in Thailand, which is repayable on demand and denominated in Thailand baht (30 June 2019: £nil, 31 December 2019: £0.8m).

The Group holds £150.0m of long term debt through the issuance of 7, 10 and 12 year fixed rate private note placements in the US institutional market, which were issued in June 2018.

18. Related party transactions

As at 30 June 2020, there were £3.5m of loans outstanding to joint ventures and £0.8m of loans outstanding to associates (30 June 2019: £2.4m of loans outstanding to joint ventures and no loans outstanding to associates, 31 December 2019: £2.8m loans outstanding to joint ventures and £0.6m of loans outstanding to associates).

There were no other material related party transactions during the period. All related party transactions take place on an arm's-length basis under the same terms as those available to other customers in the ordinary course of business.

19. Contingent liabilities

In common with comparable professional services businesses, the Group is involved in a number of disputes in the ordinary course of business. Provision is made in the financial statements for all claims where costs are likely to be incurred and represents the cost of defending and concluding claims. The Group carries professional indemnity insurance and no separate disclosure is made of the cost of claims covered by insurance as to do so could seriously prejudice the position of the Group.

20. Seasonality

Traditionally, a significant percentage of revenue is seasonal which has historically caused revenue, profits and cash flow from operating activities to be lower in the first half and higher in the second half of each year. The concentration of revenue and cash flow in the fourth quarter is due to an industry-wide focus on completing transactions toward the calendar year end. At this stage, due to the uncertainty created by the Covid-19 pandemic, it is unclear how significantly the longer term economic impact of Covid-19 will weigh on corporate and investor sentiment and thus the impact on the traditional seasonality trends.

21. Events after the balance sheet date

OMEGA Immobilien Management GmbH and OMEGA Immobilien Service GmbH
In July 2020, the Group announced it will acquire OMEGA Immobilien Management GmbH and OMEGA Immobilien Service GmbH, a property and facilities management business in Germany. The acquisition will provide the Group with a platform to grow the property management business in this important market and is expected to complete in Q4 2020, following receipt of clearance from the German competition authorities.

SHAREHOLDER INFORMATION

Like many other listed public companies, Savills no longer issues a hard copy of the Interim Statement to shareholders.

This announcement together with the attached financial statements and notes may be downloaded from the investor relations section of the Company website at www.savills.com.