

financial information on Savills plc

information referred to in part III of the circular document

chairman's statement



2008 will be a challenging year for the property industry worldwide. However, not all segments and geographies will be affected equally. With its broad range of services, its high quality staff and its geographic spread Savills is well placed to seize the opportunities.

Peter Smith
Chairman

Chairman's Statement

Underlying results

| | |
|--|------|
| Underlying Group profit before tax* £85.5m (2006: £75.0m) | +14% |
| Underlying basic earnings per share 46.1p (2006: 40.8p) | +13% |

*Underlying Group profit is calculated by adjusting reported profit before tax to deduct profit on disposals of £0.7m (2006: £5.1m), share-based payment adjustment of £4.8m (2006: £6.1m) and add back amortisation of intangibles and impairment of goodwill and available-for-sale investments of £5.1m (2006: £1.8m).

Reported results

| | |
|--|--------|
| Revenue £650.5m (2006: £517.6m) | +26% |
| Group profit before tax £85.9m (2006: £84.4m) | +2% |
| Basic earnings per share 45.5p (2006: 46.3p) | -2% |
| Total dividend 18p per share (2006: 16p) | +12.5% |
| Shareholders' funds £223.6m (2006: £212.8m) | +5% |

chairman's statement

Despite turmoil in the financial markets and the consequent effects on property investment markets, Savills had an excellent 2007, producing a record result. This outstanding achievement reflects the significant efforts over the last few years to broaden our geographical spread and diversify our business lines.

Results

The Group's underlying profit before tax was £85.5m, a 14% increase on 2006. Revenue increased by 26% to £650.5m. Reported profit before tax was £85.9m (2006: £84.4m).

Dividends

The Board has recommended an increase in the final dividend for 2007 of 9% to 12p per share to those shareholders on the register on 11 April 2008, payable on 14 May 2008. This gives a total ordinary dividend for the year ended 31 December 2007 of 18p (2006: 16p). In the five years to 31 December 2007 underlying earnings have increased by an average of 24% per annum and dividends by an average of 29% per annum.

Major acquisitions

In 2007, as part of our continuing strategy both to grow geographically and add greater diversity to the Group, we acquired Granite Partners LLC in the US for an initial consideration of US\$54m to form Savills Granite. This means that we can now offer clients commercial investment sales, debt and equity placement and advisory services in the US and gives us a platform from which to grow progressively the range of services we can offer to both US clients and for those with an interest in the US.

Our acquisition of Hephher Dixon Limited at the beginning of the year for £5.1m enabled our planning business to become a major force in London and across the regions.

We continued to build our UK residential network with a number of acquisitions including that of Christopher Rowland Limited.

Share buyback programme

At the last Annual General Meeting shareholders gave authority for a limited purchase of Savills shares for cancellation of up to 10% of the issued share capital. During the year ended 31 December 2007, 3.5m shares, representing 2.6% of issued share capital were repurchased for cancellation under this programme. The Company may make further purchases of shares under this authority up to the Annual General Meeting (AGM) to be held on 7 May 2008. As in previous years, shareholders will again be asked to consider a resolution to approve the repurchase of shares at this year's AGM.

Board and staff

I am delighted to welcome Mark Dearsley, who was appointed as Group Finance Director with effect from 3 September 2007. Details of the Board, its Committees and their composition are outlined in the Board of Directors and in the Corporate Governance Report.

On 18 October 2007, we announced the retirement after 18 years of Aubrey Adams, Group Chief Executive, which will take effect from the AGM on 7 May 2008. Aubrey joined Savills in 1990 and was appointed Managing Director in 1991. Under Aubrey's leadership Savills has become a leading global property advisory business with revenues growing from £24m in 1992 to over £650m in 2007. A loss of some £2.3m in 1992 has been transformed into a profit of £86m this year and the Company is now a constituent of the FTSE 250. I would like to thank Aubrey on behalf of all our staff, clients and shareholders for the significant role that he has played in expanding our business.

chairman's statement

We engaged outside advisers to assist us in the appointment of Aubrey's successor and a number of candidates were interviewed. I was pleased to announce that Jeremy Helsby will succeed Aubrey as Group Chief Executive. Jeremy joined Savills in 1980 and has successfully developed the UK Commercial business from revenue of £47m in 2001 to over £142m in 2007. Jeremy has also led the growth of our Continental European business, establishing 13 Savills offices and associations in eight countries over the past seven years. I look forward to working with Jeremy in his new role.

After Aubrey Adams' retirement, the Board will comprise a Non-Executive Chairman, four Independent Non-Executive Directors and five Executive Directors, which the Board considers is an appropriate balance and meets the present needs of the Group. The Non-Executive Directors have a wide range of business experience and expertise and provide a strong independent element to the Board. However, the Board will keep under review the need for any changes in the structure of the Board.

Our people

Savills' continued growth is a result of the committed and dedicated efforts of our people whose continued ability to provide a professional service to our clients is the basis for the excellent results achieved; I thank them all for their dedication and hard work. Our reward system, which is essentially based on team profit performance, is an important mechanism in providing a balance between the interests of staff and shareholders and is more fully described in the Remuneration Report.

Strategy

Our strategy remains unchanged and Jeremy Helsby outlines his priorities in his Group Chief Executive (Designate's) message.

Outlook

2008 will be a challenging year for the property industry worldwide. However, not all segments and geographies will be affected equally. With its broad range of services, its high quality staff and its geographic spread Savills is well placed to seize the opportunities.

The outlook for our UK and US Commercial Capital Markets businesses and our UK Residential and Mortgage Broking businesses, continues to depend on how quickly confidence returns to financial markets. Our Transactional businesses in Europe and Asia continue to be more resilient. Demand for our Consulting, Property Management and Fund Management services remains strong in all our markets across the world.



Peter Smith
Chairman

review of operations



My vision for Savills for 2008 and beyond is for the Savills brand to be the market leader. We have a brand that is the envy of our competitors and one I am determined to grow, nurture and expand across the globe.

Aubrey Adams
Group Chief Executive

Jeremy Helsby
Group Chief Executive (Designate)

Review of Operations

Group Chief Executive's review

Underlying pre-tax profits increased from £75.0m to £85.5m and reported IFRS pre-tax profits increased from £84.4m to £85.9m. In the UK, acquisition and organic expansion continued to bring new teams and new expertise into all parts of the business. Commercial investment transactions slowed in the second half following the effect of the credit squeeze and the anticipation of yields moving out. On the residential side, prime markets held up well, but showed some signs of slowing towards the end of the year. Our Consultancy teams produced a strong performance.

In Europe, investment markets remained firm and we expanded our range of services.

Asia Pacific saw strong growth in revenues, with a significant increase in profitability. This was largely attributable to organic growth in our businesses in Hong Kong, China, Australia and Singapore.

I am delighted that Jeremy will be taking over from me and will continue to develop and grow the business in line with our stated strategy.

Aubrey Adams
Group Chief Executive

review of operations

Group Chief Executive (Designate's) message

In my first message to shareholders I would like to thank Aubrey for his huge contribution to the success of Savills over the last 18 years. I take over from Aubrey at a time when we announce another set of record results for Savills. However, looking forward we are experiencing unsettled and volatile market conditions in many of the markets in which we operate across the globe. Making accurate predictions for Savills' future trading therefore is difficult. I hope that with the benefit of my 28 years at Savills and of my experience of working for different Savills subsidiaries in many different markets and countries, that I am well placed and have the experience to guide the Group successfully through these challenging times.

I strongly believe that Savills' unique culture will be its greatest asset in the times ahead. This culture is embodied in the Savills brand and sets us apart from our competitors. Our clients understand that the Savills brand represents the best people, a premium service that is creative and entrepreneurial, and one that is dynamic and distinctive. This culture combined with the very high quality of Savills staff across the globe, our strong financial position and emphasis on cost control will ensure that we are well placed to take advantage of the opportunities that might arise in the months ahead as a result of the volatile financial markets.

The challenge will be to prioritise all these opportunities to maximise shareholder value in both the short and long term. Our strategy will be to continue to grow globally but also to build on the significant acquisitions and recruitment that we have made over the last two years. Our aim is to continue to diversify our income earnings globally to reduce our reliance on the UK market, which currently represents a significant percentage of our earnings.

My vision for Savills for 2008 and beyond is for the Savills brand to be the market leader. We have a brand that is the envy of our competitors and one I am determined to grow, nurture and expand across the globe. I have a passion for Savills, a passion that is shared by all who work for Savills, from our graduates, where for the second year running we were voted the 'Graduate Employer of Choice for Property 2007' by The Times, right up to our Executive Board, whose loyalty and passion is evidenced by the Board's extensive experience at Savills.

Our clients deserve and expect the best from Savills. I am committed to ensuring that they will receive the high level of professionalism, drive, creativity, entrepreneurialism, honesty and quality that is synonymous with the Savills brand. I am excited by the new challenges ahead of me and my aim is to ensure that Savills continues to build and grow its global business for the benefit of its clients, staff and shareholders.



Jeremy Helsby
Group Chief Executive (Designate)

consolidated income statement

for the year ended 31 December 2007

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Savills plc
Report and Accounts 2007

Our Results
Consolidated Income Statement

Consolidated Income Statement for the year ended 31 December 2007

| | Notes | Year ended 2007 £m | Group Year ended 2006 £m |
|--|-------|--------------------------|-----------------------------------|
| Continuing operations | | | |
| Revenue | 5 | 650.5 | 517.6 |
| Less: | | | |
| Employee benefits expense | 9 | (382.3) | (306.1) |
| Depreciation | 6 | (6.2) | (5.6) |
| Amortisation of intangibles and impairment of goodwill and available-for-sale investments | 6 | (5.7) | (2.4) |
| Other operating expenses | | (174.3) | (129.2) |
| Other income | 6 | 0.7 | 0.8 |
| Profit on disposal of subsidiary, associate, joint ventures and available-for-sale investments | 6 | 0.7 | 5.1 |
| Operating profit | 5 & 6 | 83.4 | 80.2 |
| Finance income | 11 | 4.5 | 4.8 |
| Finance costs | 11 | (2.4) | (1.1) |
| | | 2.1 | 3.7 |
| Share of post tax profit from associates and joint ventures | 18(a) | 0.4 | 0.5 |
| Profit before income tax | | 85.9 | 84.4 |
| Income tax expense | 12 | (28.0) | (25.6) |
| Profit for the year from continuing operations | | 57.9 | 58.8 |
| Discontinued operations | | | |
| Profit for the year from discontinued operations | 8 | – | 0.3 |
| Profit after income tax | | 57.9 | 59.1 |
| Attributable to: | | | |
| Equity shareholders of the Company | | 55.3 | 57.7 |
| Minority interest | | 2.6 | 1.4 |
| | | 57.9 | 59.1 |
| Earnings per share | | | |
| From continuing and discontinued operations | | | |
| Basic earnings per share | 14(a) | 45.5p | 46.3p |
| Diluted earnings per share | 14(a) | 44.3p | 44.2p |
| From continuing operations | | | |
| Basic earnings per share | 14(a) | 45.5p | 46.0p |
| Diluted earnings per share | 14(a) | 44.3p | 44.0p |
| Underlying earnings per share | | | |
| From continuing and discontinued operations | | | |
| Basic earnings per share | 14(b) | 46.1p | 41.1p |
| Diluted earnings per share | 14(b) | 44.9p | 39.2p |
| From continuing operations | | | |
| Basic earnings per share | 14(b) | 46.1p | 40.8p |
| Diluted earnings per share | 14(b) | 44.9p | 39.0p |

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ADVENTIS GROUP PLC FINANCIAL INFORMATION ON SAVILLS PLC

balance sheets

at 31 December 2007

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Savills plc
Report and Accounts 2007

Our Results
Balance Sheets

Balance Sheets at 31 December 2007

| | Notes | Group | | Company | |
|---|------------|------------------------|------------------------|------------------------|------------------------|
| | | 31 December 2007 £m | 31 December 2006 £m | 31 December 2007 £m | 31 December 2006 £m |
| Assets: Non-current assets | | | | | |
| Property, plant and equipment | 17 | 21.7 | 16.5 | 1.6 | 2.3 |
| Goodwill | 15 | 138.7 | 99.9 | – | – |
| Intangible assets | 16 | 21.8 | 19.1 | 0.4 | 0.2 |
| Investments in subsidiaries | 18(c) | – | – | 129.4 | 95.0 |
| Investments in associates and joint ventures | 18(a) | 8.9 | 5.6 | – | – |
| Deferred income tax assets | 19 | 12.9 | 20.6 | 1.4 | 1.2 |
| Available-for-sale investments | 18(b) | 21.6 | 8.8 | – | – |
| Financial assets at fair value through profit or loss | 25 | 1.5 | 1.5 | – | – |
| Derivative financial instruments | 25 | 0.2 | – | 0.2 | – |
| | | 227.3 | 172.0 | 133.0 | 98.7 |
| Assets: Current assets | | | | | |
| Work in progress | | 3.2 | 3.2 | – | – |
| Trade and other receivables | 20 | 196.1 | 163.9 | 11.1 | 17.9 |
| Derivative financial instruments | 25 | 0.3 | – | 0.3 | – |
| Cash and cash equivalents | 21 | 110.7 | 124.1 | 26.8 | 58.9 |
| | | 310.3 | 291.2 | 38.2 | 76.8 |
| Liabilities: Current liabilities | | | | | |
| Borrowings | 24 | 10.7 | 7.3 | 16.3 | 4.1 |
| Derivative financial instruments | 25 | – | 0.2 | – | 0.2 |
| Trade and other payables | 22(a) | 234.3 | 191.8 | 20.8 | 52.5 |
| Current income tax liabilities | 22(b) | 11.6 | 10.3 | – | – |
| Employee benefit obligations | 26(b) | 2.7 | 3.0 | – | – |
| Provisions for other liabilities and charges | 26(a) | 2.2 | 1.5 | 1.6 | 1.2 |
| | | 261.5 | 214.1 | 38.7 | 58.0 |
| Net current assets | | 48.8 | 77.1 | (0.5) | 18.8 |
| Total assets less current liabilities | | 276.1 | 249.1 | 132.5 | 117.5 |
| Liabilities: Non-current liabilities | | | | | |
| Borrowings | 24 | 22.5 | 12.0 | 15.1 | – |
| Derivative financial instruments | 25 | 0.2 | 0.3 | 0.2 | 0.3 |
| Trade and other payables | 23 | 12.0 | 2.0 | 4.5 | – |
| Retirement and employee benefit obligations | 10 & 26(b) | 13.8 | 19.0 | 0.5 | 0.8 |
| Provisions for other liabilities and charges | 26(a) | 1.8 | 1.6 | – | – |
| Deferred income tax liabilities | 19 | 2.2 | 1.4 | – | – |
| | | 52.5 | 36.3 | 20.3 | 1.1 |
| Net assets | | 223.6 | 212.8 | 112.2 | 116.4 |
| Equity: Capital and reserves attributable to equity holders of the Company | | | | | |
| Share capital | 27 | 3.3 | 3.4 | 3.3 | 3.4 |
| Share premium | 29 | 83.0 | 82.4 | 83.0 | 82.4 |
| Other reserves | 29 | 3.9 | (1.8) | 3.3 | 3.2 |
| Retained earnings | 29 | 127.5 | 124.5 | 22.6 | 27.4 |
| | | 217.7 | 208.5 | 112.2 | 116.4 |
| Minority interest | 29 | 5.9 | 4.3 | – | – |
| Total equity | 29 | 223.6 | 212.8 | 112.2 | 116.4 |

Approved by the Board of Directors on 11 March 2008 and signed on its behalf by

A J Adams
A M Dearsley