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**Savills plc**

**preliminary results for the year  
ended 31 December 2007**

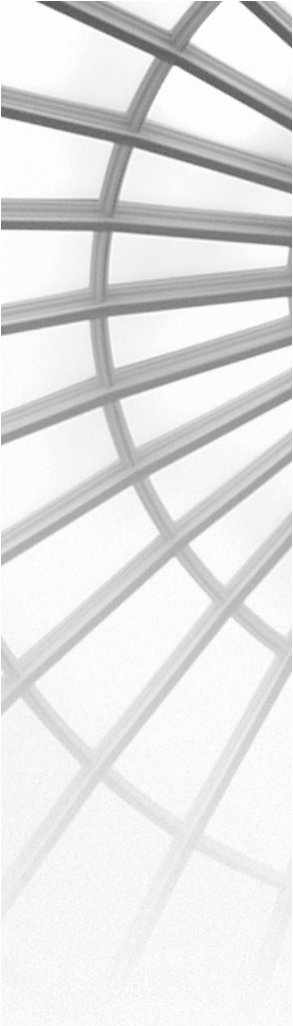
**12 March 2008**

## agenda

- introduction & overview
- financial highlights
- focus on Asia
- current trading & outlook
- conclusions
- questions & answers
  
- appendices



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**leading international  
property advisers**

**introduction & overview -  
Aubrey Adams**

## presentation team



Aubrey Adams, Group Chief Executive



Jeremy Helsby, Group Chief Executive - designate  
(CEO from May 2008)



Mark Dearsley, Group Finance Director

# a full range of property services

## Transactional

Commercial, residential and agricultural agency  
Investment purchases and sales

47%

## Consultancy

Professional property services including:

- valuation
- building consultancy
- rent reviews
- housing consultancy
- landlord & tenant
- rating
- planning
- research

22%

## Property Management

Management of commercial and residential assets  
Advice and services to occupiers  
Land and farm management

24%

## Financial Services

Mortgage broking, financial planning and corporate finance advisory services

5%

## Fund Management

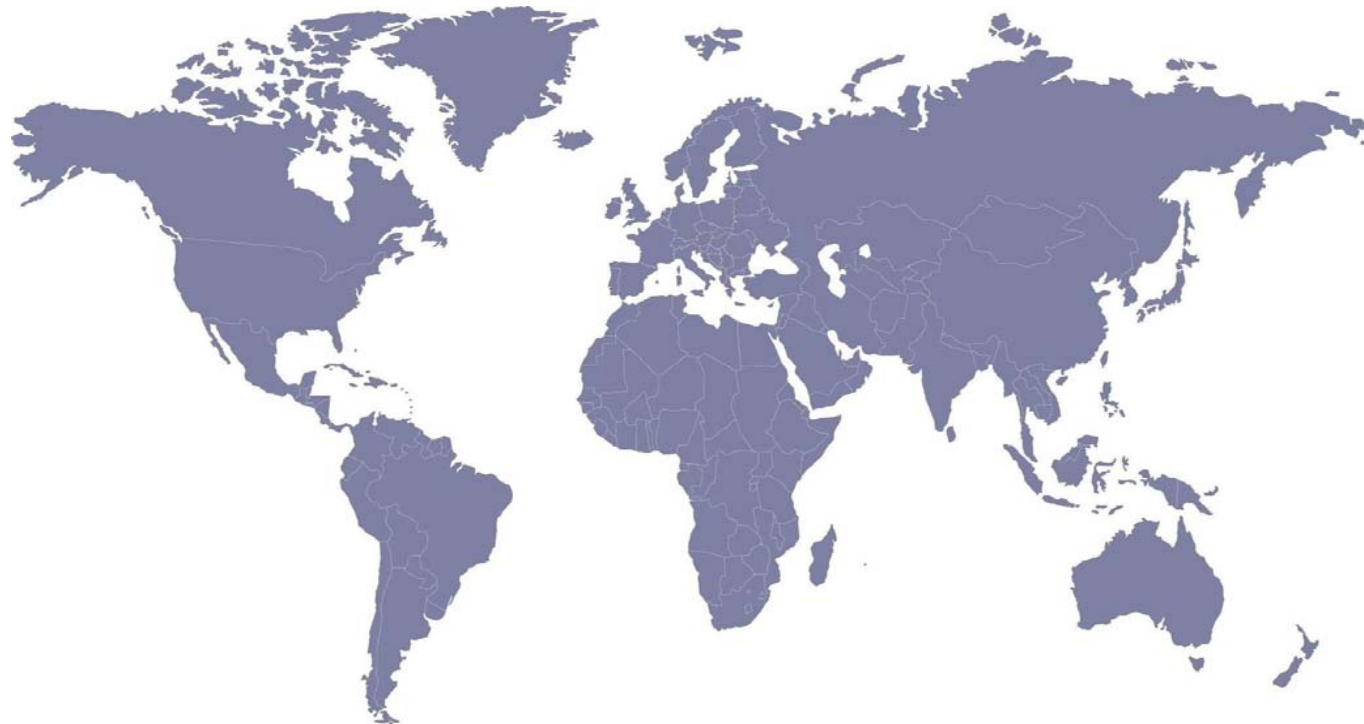
Investment management of commercial and residential property portfolios for institutional and professional investors

2%

revenue contribution

# operating in leading global markets

more than 18,000 staff in over 180 offices in 20 countries



	Americas	UK	Europe	Asia Pacific
revenue contribution	n/m	62%	12%	26%
offices	1	111	33	40
weighted avg staff	23	3,192	729	14,085

The Savills logo, featuring the word "savills" in a lowercase, red, sans-serif font on a yellow rectangular background.

# working with world-class clients



**The Royal Bank of Scotland**



**ING**



**Candy & Candy London**



**Morley Fund Management**



**Cordatus**



**Royal London Asset Management**



**CPC Group**



**GE Real Estate**



**Kenmore**



**Standard Life**



**Hammerson**



**Norwich Union**



**Gazeley**



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## delivered by great people

- strong teams of outstanding individuals
- employer of choice – ‘Graduate Employer of Choice for Property 2007’ by The Times
- number of fee earners up by 21% across the group
- bonus model provides profit focus and cost flexibility

## producing record results

- record profits – underlying profit before tax up 14% to £85.5m
- US platform established
- continued growth:
  - revenue up 26%
  - new countries
    - US, Vietnam and Taiwan
  - new offices
    - 17 UK, 9 international, 3 associate
  - major acquisitions
    - Hephher Dixon (planning)
    - Christopher Rowland (residential)
    - Granite (US)
- CEO succession announced
- new Group Finance Director and Group Risk Director appointed



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**financials - Mark Dearsley**

## financial highlights

- strong all round performance in more challenging markets
- revenue up 26% to £650.5m
- underlying profit before tax up 14% to £85.5m
- second half performance resilient
- IFRS profit before tax from continuing operations up 2% to £85.9m
- underlying EPS up 13% to 46.1p
- dividend up 13% to 18p
- £41m spent on buy backs for cancellation and EBT
- robust balance sheet

## summary underlying results

(£ millions)	2007	2006	% chg
revenue	650.5	517.6	26%
operating profit	83.0	70.8	17%
profit before tax	85.5	75.0	14%
PBT margin	13.1%	14.5%	
earnings per share	46.1p	40.8p	13%
dividends per share	18.0p	16.0p	13%
net assets	223.6	212.8	
net cash	77.5	104.8	
total staff numbers (weighted average)	18,029	15,844	14%
total fee earners	5,269	4,354	21%

## summary reported IFRS profit and loss

(£ millions)	2007	2006	% chg
revenue	650.5	517.6	26%
operating profit	83.4	80.2	4%
share of post tax associate and joint ventures	0.4	0.5	(20)%
net finance income	2.1	3.7	(43)%
profit before income tax	85.9	84.4	2%
taxation	28.0	25.6	9%
profit after tax	57.9	58.8	(2)%
minority interest	2.6	1.4	86%
effective tax rate	32.6%	30.3%	

## underlying PBT reconciliation

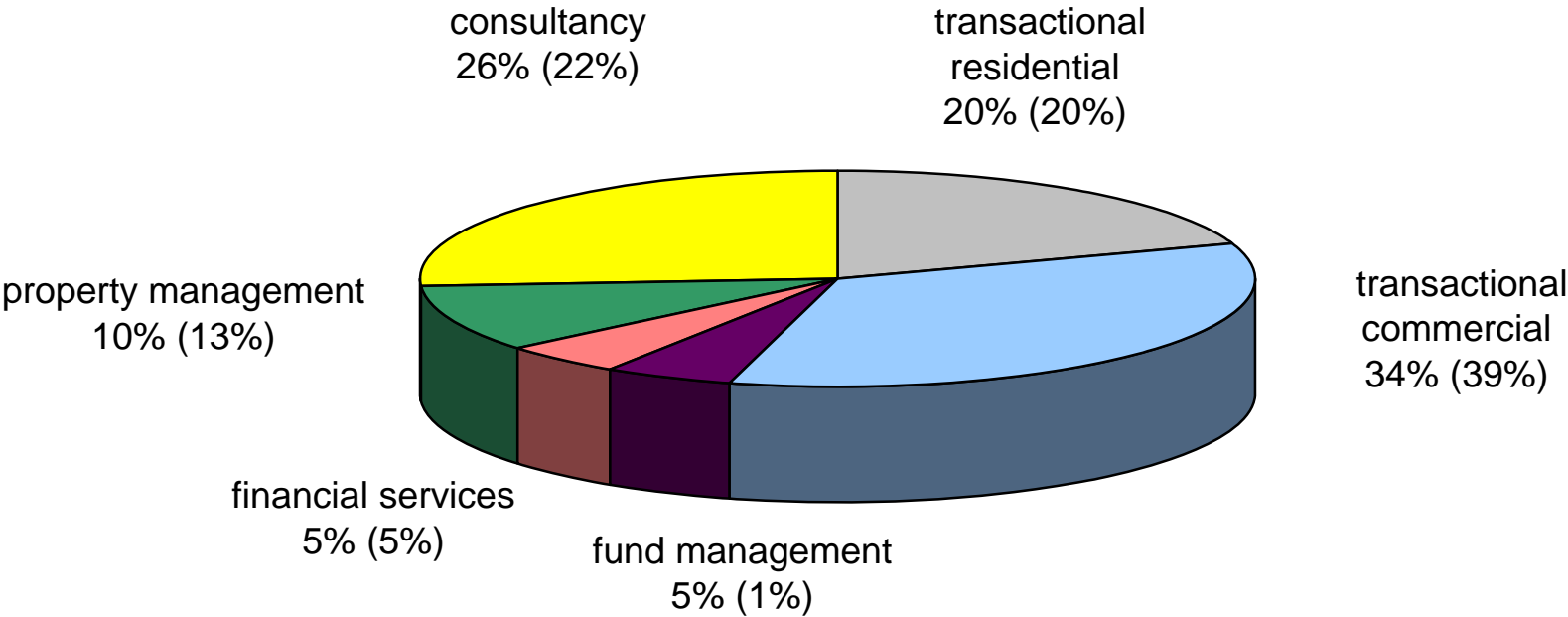
(£ millions)	2007	2006
reported PBT	85.9	84.4
adjusted for:		
share based payment adjustment	(4.8)	(6.1)
amortisation of intangibles (ex software) & impairment of goodwill & available-for-sale investments	5.1	1.8
profit on disposals	(0.7)	(5.1)
underlying PBT	85.5	75.0

## global revenue and underlying pbt

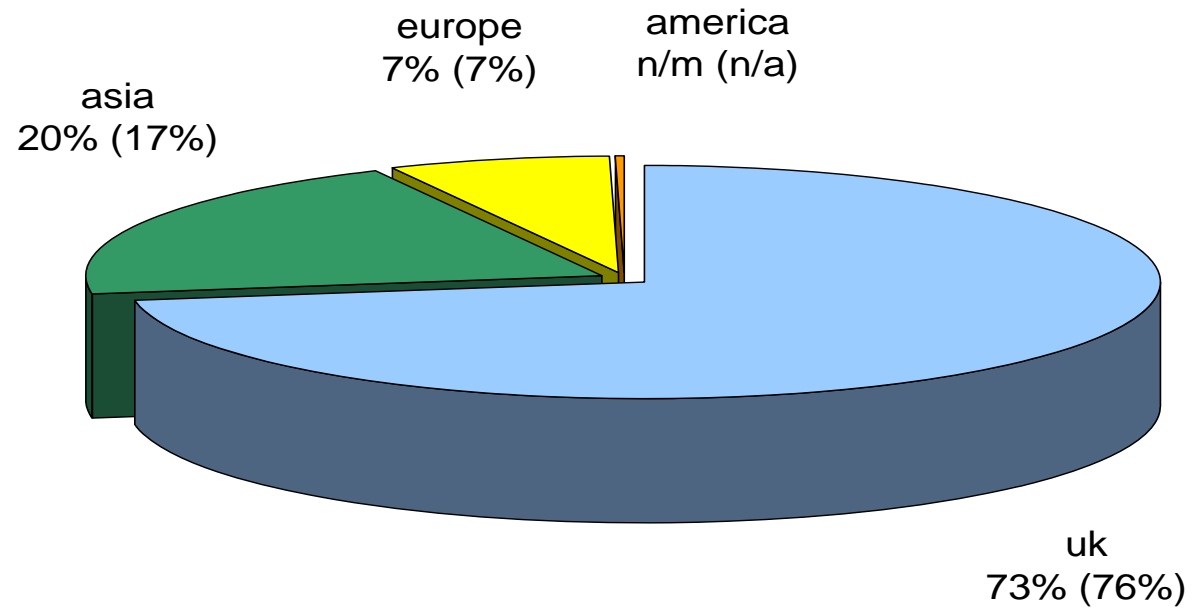
(£ millions)		revenue	%	profit	%	margin % 2007	margin % 2006
transactional residential	- UK	115.0	26	17.3	4	15.0	18.1
transactional commercial	- UK	79.4	(5)	17.7	(14)	22.3	24.6
	- Europe	45.4	39	3.8	(19)	8.4	14.4
	- Asia Pacific	60.6	53	9.6	118	15.8	11.1
	- America	3.7	-	0.2	-	5.4	-
consultancy	- UK	114.4	40	18.7	28	16.3	17.8
	- Europe	10.7	102	2.0	150	18.7	15.1
	- Asia Pacific	16.4	43	1.6	129	9.8	6.1
property management	- UK	51.6	18	4.6	10	8.9	9.6
	- Europe	18.1	77	0.1	-	0.6	-
	- Asia Pacific	90.0	8	6.2	(15)	6.9	8.8
financial services		29.8	11	5.1	16	17.1	16.4
fund management		15.4	114	4.1	486	26.6	9.7
holding co / other				(5.5)			
total		650.5	26%	85.5	14%	13.1%	14.5%



# 2007 underlying profits by segment



# underlying profit by geography



## operating costs

(£ millions)	2007 £m	2007 % revenue	2006 £m	2006 % revenue
staff costs	382.3	59%	306.1	59%
o/w - bonus costs	123.8	19%	105.4	20%
o/w - commission	28.2	4%	19.8	4%
other operating costs	174.3	27%	129.2	25%
depreciation, amortisation and impairment	11.9	2%	8.0	2%
bonus and commission as % of staff costs		40%		41%

- bonuses and commissions provide cost flexibility

## taxation analysis

(%)	2007	2006
UK tax rate	30.0	30.0
general disallowables	2.4	1.2
overseas tax rates	(2.4)	(1.4)
share price effect on SBP (IAS 12)	2.4	-
intangible amortisation	1.0	0.4
prior year adjustments	(0.8)	0.1
effective tax rate	32.6	30.3

## summary cash flow

(£ millions)	2007	2006
b/fwd cash	124	100
cash from operations after interest & tax	103	76
investments, acquisitions and capex	(72)	(50)
disposals of JVs, subsidiaries & assets held-for-sale	5	24
buy backs – for cancellation and EBT	(41)	(5)
dividends	(22)	(16)
foreign exchange movement	1	(4)
borrowings proceeds/(repaid)	12	(1)
cash at year end	<b>110</b>	<b>124</b>
borrowings at year end	(32)	(19)
net cash at year end	<b>78</b>	<b>105</b>

## treasury analysis

- year end cash position not representative
- highly seasonal working capital – bonus, dividends, tax all in 2<sup>nd</sup> quarter
- cash in subsidiaries
  - regulated businesses
  - minority shareholders
  - held to support operational contracts
  - tax efficiency
- low financial gearing appropriate given nature of our business

## introduction to Jeremy



- Joined Savills London in 1980
- 1983 -1987 Savills Washington
- 1988 - 2000 Head of City Leasing, Canary Wharf
- 1999 Joined Savills PLC Board
- 2000 - 2007 Head of Commercial, UK and Europe
- 2001 - 2008 Board member of Savills Asia
- 2008 CEO Savills PLC



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**focus on Asia – Jeremy  
Helsby**

## general overview



- Asian business acquired in April 2000, significant acquisitions since made
- employs over 14,400 staff
- operates in 12 countries (40 offices)
- provides commercial, residential and mixed use advice
- majority control all our businesses
- headquartered in Hong Kong
- large facility management business (Guardian)



# Savills regional network



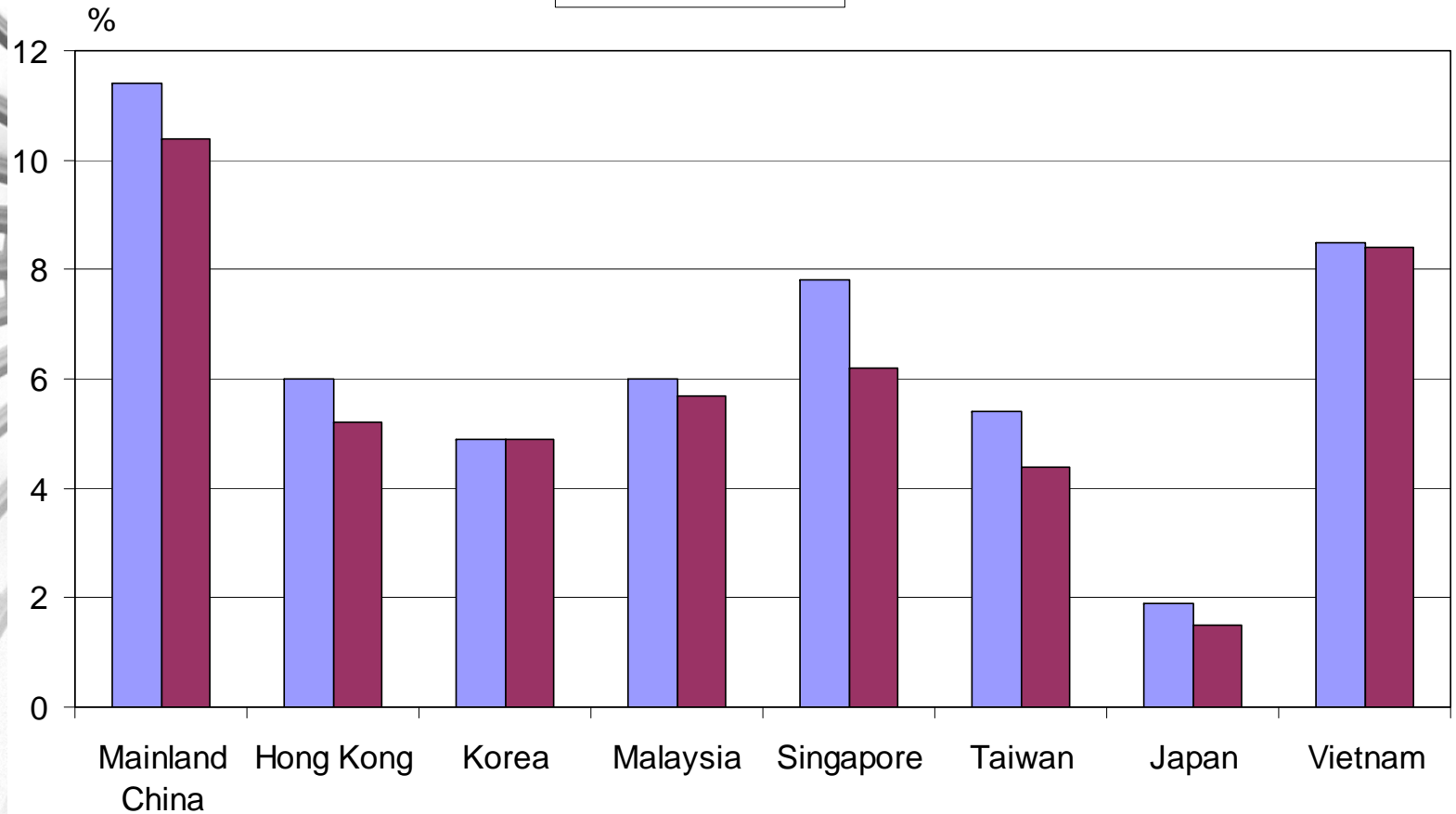
## Asia Pacific profitability

(£ millions)	2003	2004	2005	2006	2007
turnover	82.8	83.9	97.3	134.5	167.0
underlying profit before tax	4.1	6.9	10.9	12.4	17.4
profit margin	4.9%	8.2%	11.2%	9.2%	10.4%



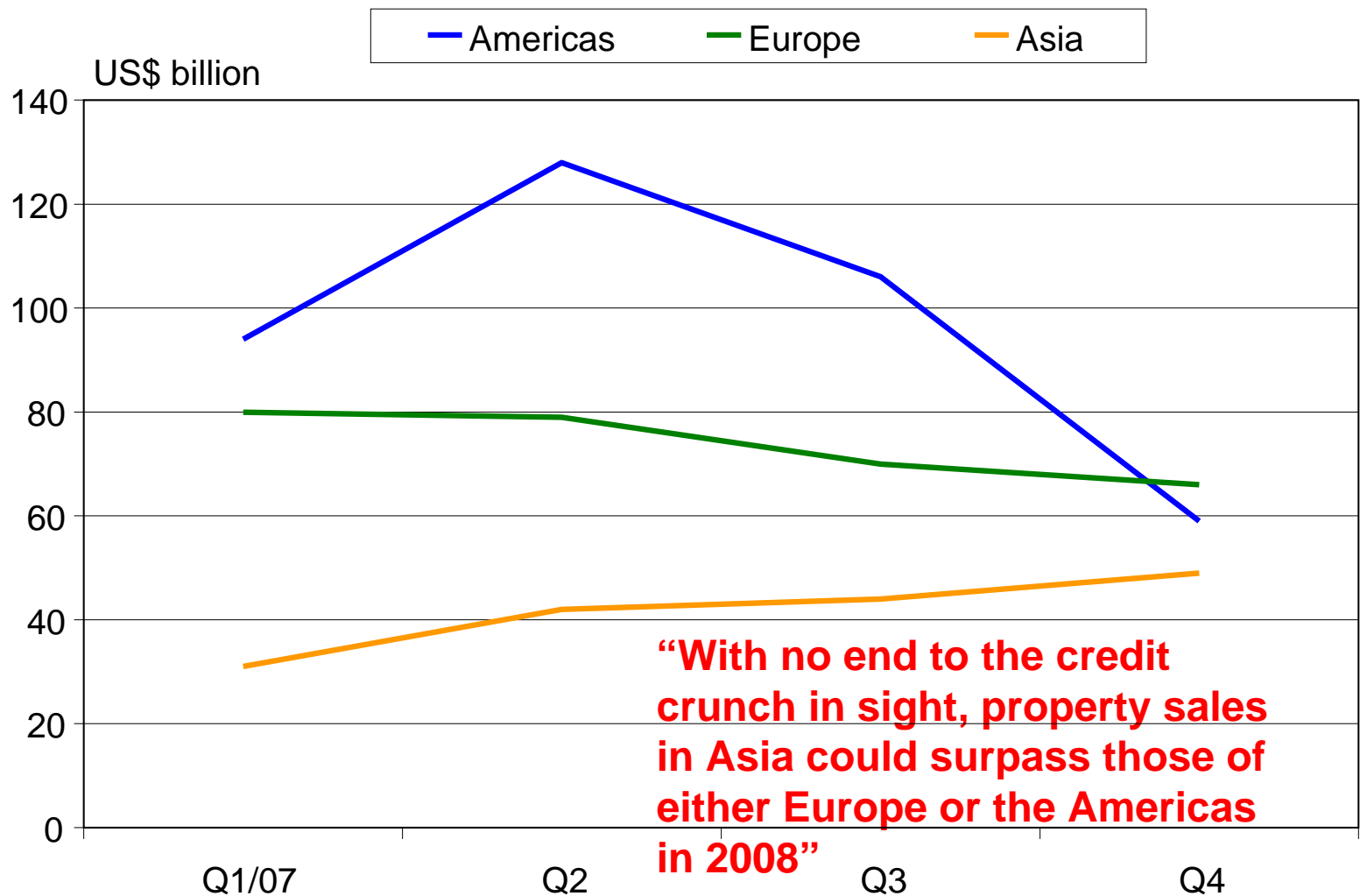
# real GDP growth forecasts

2007E 2008E



Source: Asia Pacific Consensus Forecasts - Dec 2007, Savills Research & Consultancy

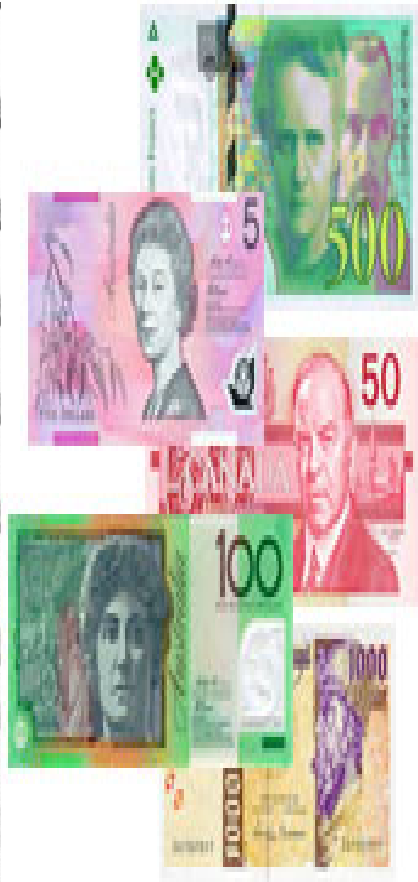
## 2007 quarterly sales volumes



Source: Real Capital Analytics

## 2007 top 12 countries by volume of investment transactions

Rank	Country	Volume In \$ Bil.	Average Cap Rate
1	United States	510.3	6.4%
2	United Kingdom	104.4	5.3%
3	Germany	60.8	7.0%
4	China	59.6	N/A
5	Japan	38.1	5.3%
6	France	37.3	5.8%
7	Australia	29.6	6.6%
8	Canada	19.7	7.4%
9	Singapore	18.6	5.1%
10	Sweden	16.9	6.3%
11	Hong Kong	14.4	4.4%
12	Spain	14.3	5.8%



## Savills Asia offering



- Savills Asia is well positioned to take advantage of market opportunities
- good regional presence
- strong brand positioning
- excellent capital markets offering
- developing regional infrastructure



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**current trading & strategy  
- Jeremy Helsby**

## strategy - unchanged

Our vision is for Savills to be one of the leading providers of real estate services in all of the major markets of the world

By doing so, deliver superior total returns to shareholders compared to peers

Through this combination of market leadership and financial success, continue to attract and retain outstanding individuals

## strategic priorities

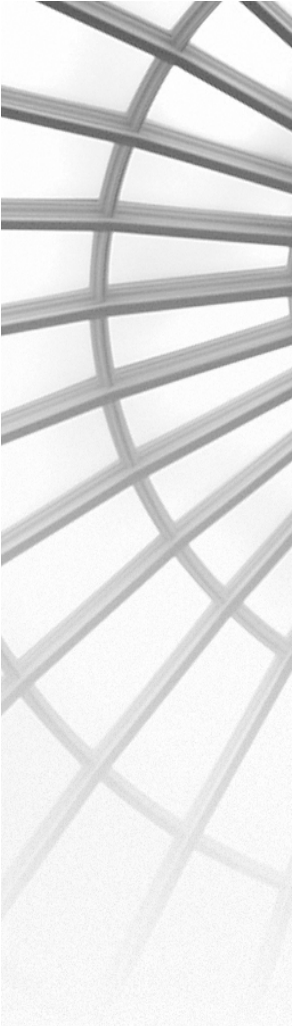
- expansion in the major cities and countries
- pursuing cross-border capital markets
- exploring opportunities in the strongest emerging economies
- growing fund management
- exploiting and expanding residential strength globally
- greater integration of businesses to benefit our clients
- strengthening the Savills brand

## current trading & outlook

- commercial transactions
  - UK and US markets have slowed
  - Asia and Europe more resilient
- residential
  - prime prices firm but volumes down
- consultancy
  - strong demand
- property management
  - steady growth
- financial services
  - challenging market but a market leader
- fund management
  - continued progress
- general outlook
  - 2008 a more challenging year
  - Savills well placed given depth of business and geographical spread



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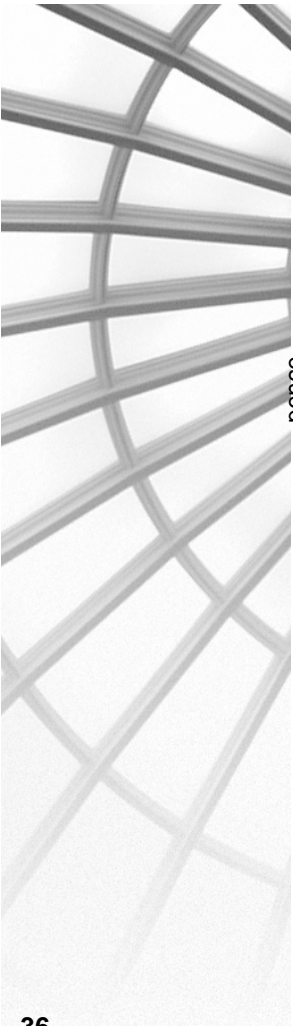
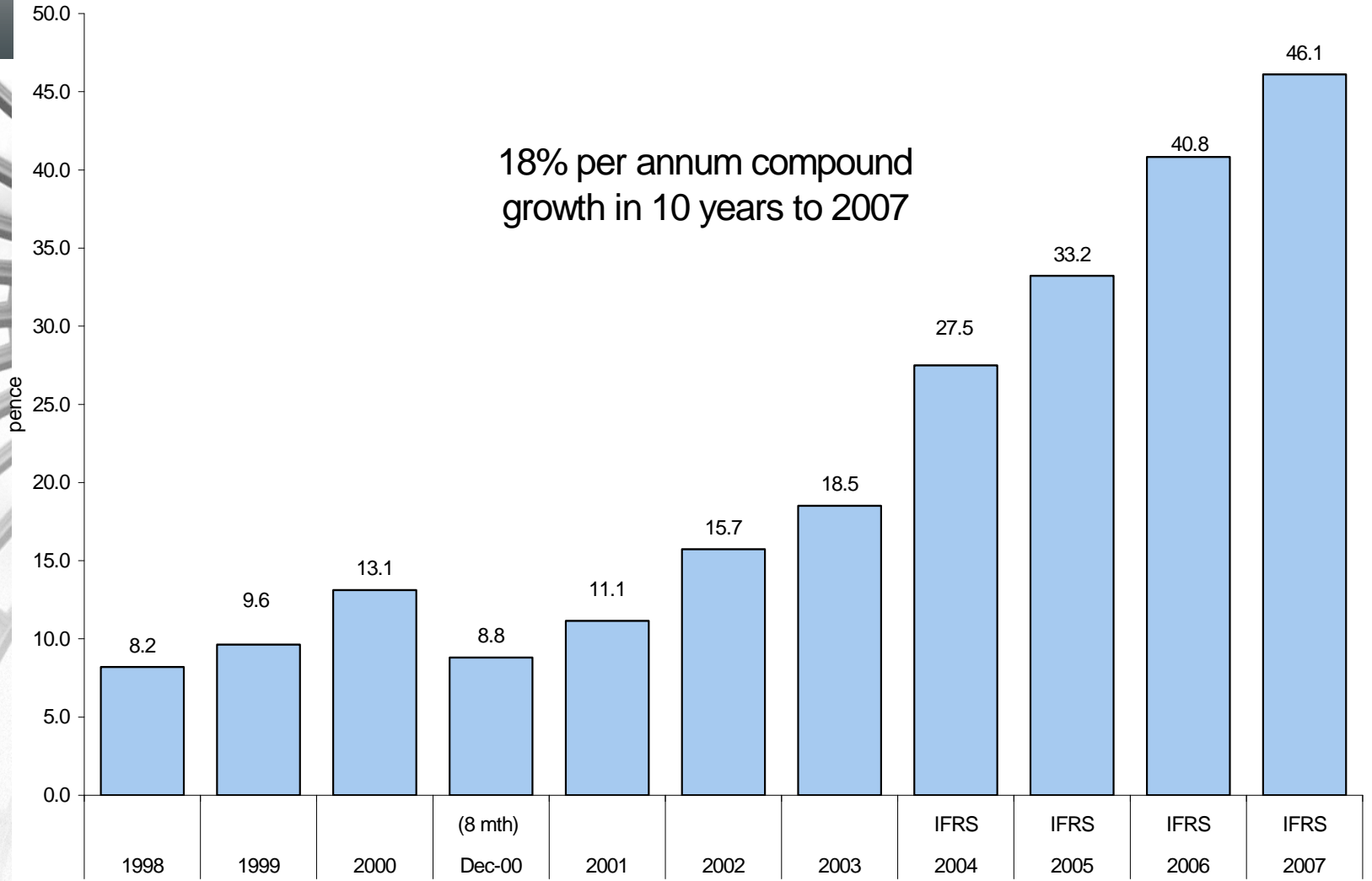


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**conclusion - Aubrey Adams**

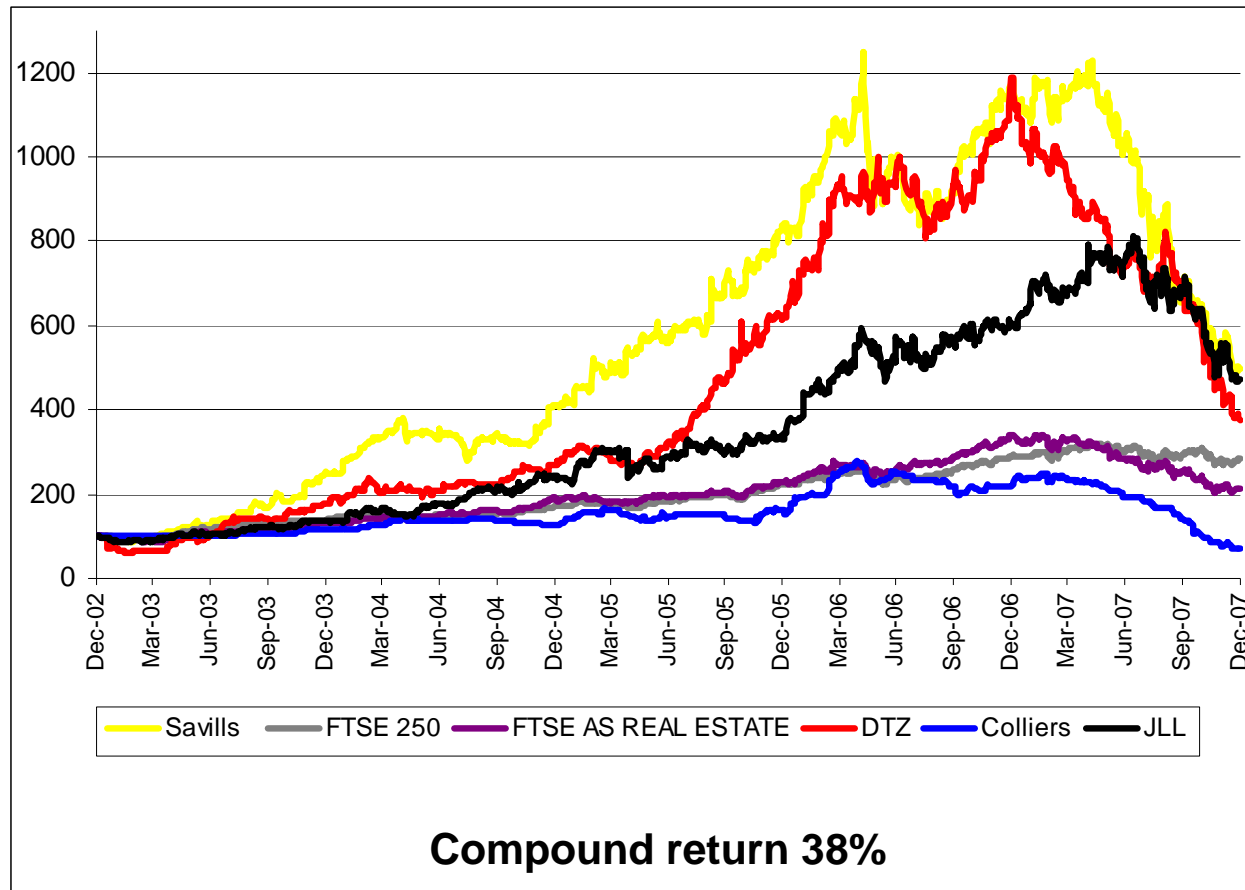


# 10 year underlying earnings per share



# 5 year total shareholder return

5 years ended 31 December 2007



Source: Datastream

## conclusions

- record results
- broadening the services offered and extending the geographic reach
- bonus provides profit focus and cost flexibility
- clear strategy
- but uncertainty in some core markets
- Savills is in great shape




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**appendix 1: selected  
operating statistics**

## UK residential sales statistics

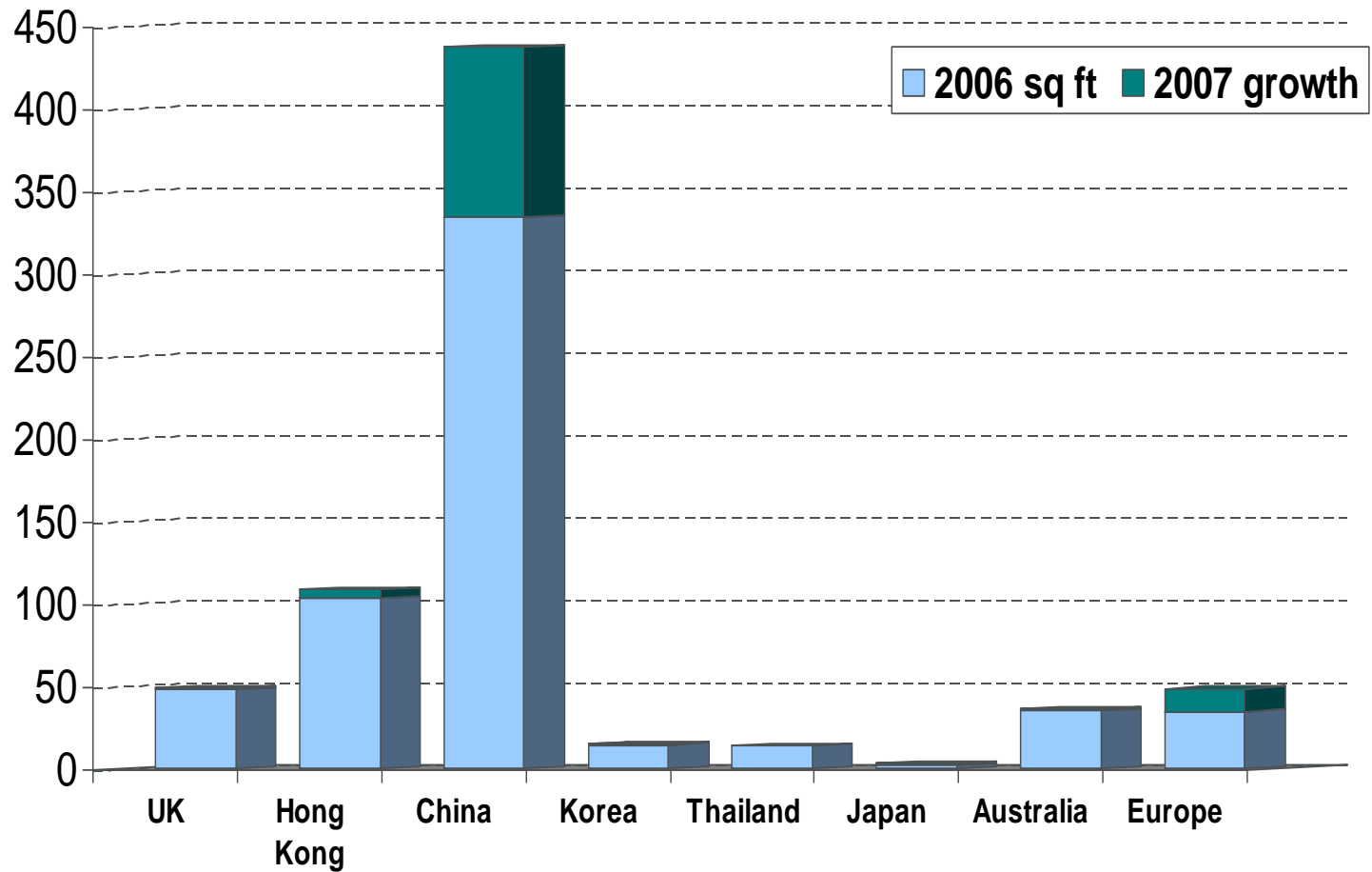
	2007 no of trans	2006 no of trans	2007 avg value	2006 avg value	2007 avg fee %	2006 avg fee %
london and home counties	1,981	1,577	£1.68m	£1.40m	1.55	1.58
rest of UK	3,179	2,659	£0.82m	£0.77m	1.40	1.44
total UK	5,160	4,236	£1.15m	£1.00m	1.48	1.51
new homes	3,729	4,790	£0.54m	£0.44m	0.92	1.01



# total property under management



square feet millions



# mortgage broking

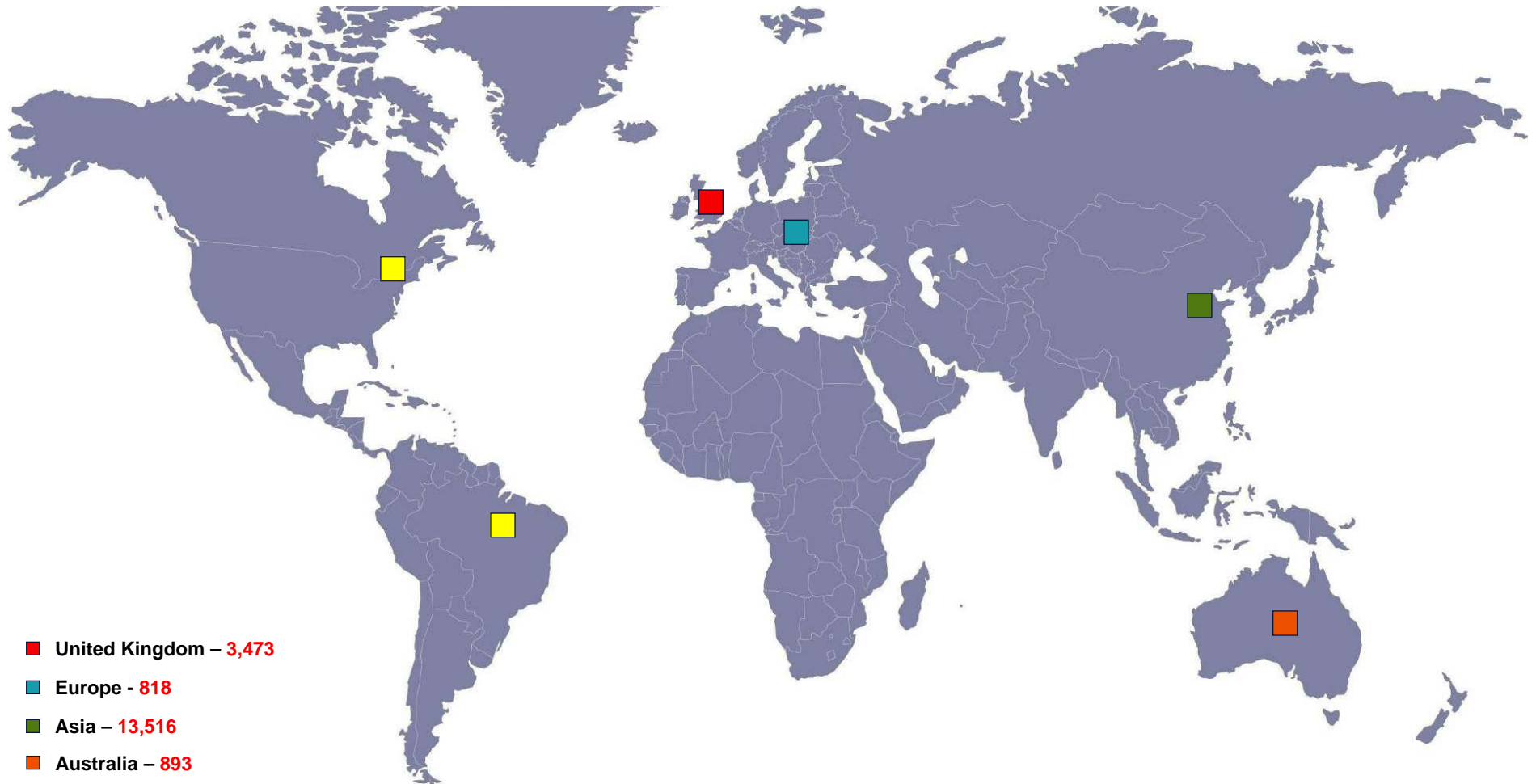
	2007 value (£m)	2007 no of trans	2006 value (£m)	2006 no of trans
residential purchase	865	3,457	820	3,219
residential re-mortgage	726	1,648	548	1,486
buy to lets	1,126	5,738	999	5,367
commercial purchase	615	247	682	247
international purchase	77	158	76	98
total	3,409	11,248	3,125	10,417
number of staff	225		207	

# fund management

fund type	client type	assets under management	fee structure
segregated	Charities	240	<ul style="list-style-type: none"> <li>• advisory</li> <li>• transactional</li> <li>• performance</li> <li>• distribution</li> </ul>
	Institutions	612	
	Private clients	156	
Pooled UK	Charities	321	
	Institutions	185	
	Private clients	81	
Pooled non-UK	Institutions	1,340	
	Private clients	527	
		<b>3,462</b>	

- **total assets under management; £3.5bn, growth of 38% on 2006**

## global staff numbers as at 31 December 2007



■ United Kingdom – 3,473

■ Europe - 818

■ Asia – 13,516

■ Australia – 893

■ America - 25

# disclaimer

## Forward-looking statements

These slides contain certain forward-looking statements including the Group's financial condition, results of operations and business, and management's strategy, plans and objectives for the Group. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the Group's control, are difficult to predict and could cause actual results to differ materially from those expressed or implied or forecast in the forward-looking statements. These factors include, but are not limited to, the fact that the Group operates in a highly competitive environment. All forward-looking statements in these slides are based on information known to the Group on the date hereof. The Group undertakes no obligation publicly to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.