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SThree plc
Interim Statement 2009

SThree plc

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Interim Highlights
for the six months ended 31 May 2009

Commenting on the SThree plc interim results, Russell Clements, Chief Executive Officer, said:

"The Group performed very satisfactorily in the first half in extremely challenging market conditions. In particular, we are pleased with the strong contribution made by our international businesses, which grew by 20%, reflecting both our growing international presence and the structural growth opportunities available outside of the mature staffing markets of the UK and US. Our commitment to maintaining price discipline was once again evident in our robust like for like fee growth, with average fees improving further even in the face of significant volume declines. This performance is testament to the strengths of the Group's well-established positioning in the SME market, significant contract business and focus on the placement of specialist candidates in higher wage bands.

"Whilst we took decisive restructuring action in the period to align our cost base with the market opportunity, we also continue to invest for the future - expanding our international network into new territories and adding or growing new disciplines such as Legal, Sales & Marketing and Public Sector.

"With a strong cash position and healthy balance sheet the Group is well positioned to ride out the current downturn and capture the opportunities of the recovery when it arrives. In the meantime, it is gratifying to once again be in a position to reward our shareholders' commitment with a strong dividend payment."

Russell Clements,
Chief Executive Officer

Operational Highlights

- Satisfactory first half performance in a very challenging market. Gross Profit down 9% to £93.3m (2008: £102.5m). On a constant currency basis Gross Profit down 15%
- Permanent placements down by 34.1% to 3,302 (2008: 5,008) – average permanent placement fee up significantly by 17.3% to £11,838 (2008: £10,091)
- Number of active contractors at period end reduced by 21.8% to 4,494 (2008: 5,743) – average gross profit per day rates increased by 10.8% to £87.67 (2008: £79.11)
- Contract margin improved to 22.5% (2008: 21.4%)
- Contract versus permanent mix of Gross Profit now 58:42 in favour of contract (Full year 2008: 52:48)
- Non-UK Gross Profit for the period represented 54% of the Group total (Full year 2008: 45%)
- International business performed robustly, growing Gross Profit by 20% to £50.7m (2008: £42.4m). The UK business posted a 29% decline in Gross Profit to £42.6m (2008: £60.1m)
- Non–ICT business segments grew by 9% to £23.6m (2008: £21.8m) representing 25% of total Gross Profit
- New offices opened in Dusseldorf, Frankfurt, Hamburg and Singapore
- Business right sized in Q2 2009 for the prevailing climate, resulting in a 25% reduction in headcount and an exceptional charge of £8.5m
- Basic earnings per share (before exceptional items) of 6.3p (2008: 11.8p); post exceptional 1.1p (2008: 10.8p)
- Net cash position strong at £43.9m (2008: £3.9m net cash) and reduction of days sales outstanding to 39 (2008: 51)
- Interim dividend maintained at 4.0p (2008: 4.0p)

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Operating Review
for the six months ended 31 May 2009

Financial Highlights

	Six months ended		
	31 May 2009	1 June 2008	% change
Revenue	£280.6m	£295.4m	–5.0%
Gross profit	£93.3m	£102.5m	–9.0%
Operating profit before exceptional items	£11.0m	£24.4m	–55.0%
Profit before taxation before exceptional items	£11.2m	£23.8m	–53.0%
Profit before taxation after exceptional items	£2.7m	£21.8m	–87.6%
Profit for the period after exceptional items	£1.6m	£15.0m	–89.3%
Basic earnings per share before exceptional items	6.3p	11.8p	–46.6%
Basic earnings per share after exceptional items	1.1p	10.8p	–89.8%
Interim dividend	4.0p	4.0p	

Operating Review

Given the exceptional market conditions, the first half of 2009 saw a satisfactory performance from the Group, with Gross Profit (GP) reducing by a relatively modest 9% to £93.3m (2008: £102.5m). We are particularly pleased with the strong contribution of our international teams during the period. In the first half Non-UK GP grew by 20% to £50.7m (2008: £42.4m). Although early returns from our newer offices in Singapore, Dusseldorf, Frankfurt (our third office in this city) and Hamburg made a contribution, we are equally pleased by the growth posted by our longer established offices in continental Europe.

It is notable to see the extent to which outside of the UK and the US the business has performed more strongly. This resilience is a reflection of the structural growth that characterises much of our fast growing international business. That said, all of our Non UK offices faced deteriorating market conditions during the period in sharp contrast to the buoyant conditions they enjoyed during H1 2008.

Unsurprisingly the teams addressing those territories that are relatively more mature in terms of specialist staffing markets (such as Benelux) found conditions more challenging than their colleagues exposed to strong structural growth in territories such as Germany. Nonetheless the increasing internationalisation of the Group is the most significant theme to note from the period. As at the half year 54% of Group GP was derived from outside of the UK, up from 45% at the end of the 2008 financial year.

By contrast GP in the UK declined by 29% to £42.6m (2008: £60.1m). As a mature staffing market, the UK does not benefit from any structural growth to offset weak levels of demand. Ordinarily the normal fluctuations of the economy tend to have a limited impact at the very specialist end of the market, as the inherent shortage of highly skilled staff acts as a mitigating factor. However the severity of the current recession has clearly been too much for this shortage to make a material difference and as a consequence the Group found the UK market particularly difficult.

It is worth noting however that the current downturn has not experienced (with the exception of the banking market) the mass redundancies seen in the ICT market in the period following the Dot Com crash. Unlike then, this has meant that there is not a ready supply of unemployed candidates prepared to bid down the market rate for roles. Indeed given the prevailing level of uncertainty, candidates are often reluctant to put themselves on the market. The resulting scarcity of candidates for certain positions explains (along with the Group's price discipline) the robustness of our UK fees.

Very recently there have been indications that the UK market may be showing some signs of stability. In particular, the decline in productivity per consultant has been replaced by a modest improvement. However at this stage the data points are relatively limited and we therefore remain cautious regarding the UK market until such time as we see further evidence to suggest that the bottom has been reached.

As we would expect, as a result of the difficult market conditions we have seen a further shift in the business mix towards contract. During the period 58% of Group GP was attributable to contract compared to 52% during the same period in 2008. However, although relatively more robust, the volume of contract runners at period end declined by 21.8% to 4,494 (2008: 5,743). Despite this the average contract margin improved from 21.4% to 22.5%, once again this is testament to the Group's unwillingness to compete solely on price.

The reduction in contract runners resulted in a commensurate unwinding of working capital and this contributed to a major strengthening of the Group's net cash position to £43.9m from £3.9m in the previous year. This strong cash performance was also driven by the Group continuing to trade profitably and a significant improvement in the Group's DSO figure to 39 from 51 in 2008. The latter was a reflection of seeing a return on the Group's investment in ERP as well as a concentrated management focus.

During the second quarter of 2009, the Group undertook a significant restructuring to right size the business for the prevailing market

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climate. This led to a restructuring charge of £8.5m, relating to people exit and office rationalisation costs, which has been taken in the accounts as an exceptional item. We anticipate that this will pay back within the current financial year.

Strategy

The Group has a well-established strategy based on rolling out the SThree model to an increasing number of geographies and across a widening range of specialist staffing disciplines. Clearly the current market conditions have in the short term impacted the scale and pace of the roll out. However we are focused on a strategy for the medium/long term and added to our international office network and grew our Non ICT franchises during the period. The success of the strategy is reflected in the fact that our businesses outside the UK ICT sector represented 67% of Group GP in the first half of 2009 compared to 55% in the first half of 2008. We will continue to look at further expansion opportunities with a view to ensuring that the Group is well positioned strategically to take full advantage of the inevitable upturn.

The Group's core strategy will continue to be based on organic growth. Although we are not philosophically opposed to considering acquisitions we would see any as opportunistic and more likely to be small "bolt-ons" capable of offering niche expertise we would find difficult to build internally.

In normal conditions the Group's growth strategy is to increase sales headcount to the fullest extent possible given market opportunity and management bandwidth. That said, our strategy is agile and we benefit from a highly flexible workforce. This enabled us during the period to rightsize the business by reducing headcount by approximately 28%, which was achieved at a relatively modest cost and paying back within the financial year, although we were still also able to invest in those geographies/sectors offering growth opportunities. We believe that headcount is now at a level commensurate with both the current trading conditions as well as our need to ensure a level of critical mass in our chosen markets. Our overall headcount strategy is to maintain team sizes at their current level until we see signs of meaningful improvement in the market. That said, in markets which offer strong structural growth and/or markets that we feel are strategically attractive for different reasons (for example size) we will continue to selectively add headcount where appropriate.

A further key element of our strategy is to remain highly selective regarding the quality of the business we undertake. We remain healthily sceptical of the value of the "high volume, low margin" model associated with servicing the larger corporate market in more mature markets (particularly in the UK & US). The Group instead prefers to engage with less price-focused clients who value its services.

As a result our customer base is wide and varied, with a high percentage of SMEs. This reduces the Group's exposure to a limited number of powerful customers and also ensures that we avoid the margin pressure associated with "wholesale" buyers such as the major systems integration companies. In this respect it is instructive to note that despite the fact that in the first half of the year 75% of the candidates we placed were ICT professionals, only approximately 22% of our customers are in the ICT sector. The improvement in the Group's first half contract margin to 22.5% (2008: 21.4%) is further evidence of the validity of this approach even in very challenging conditions. We are committed strategically to maintaining our price discipline even if this means walking away from lower quality business which would flatter volumes but at an unacceptable margin.

This strategy is supported by our multi-brand approach which allows the Group to segment the market around specific niches. This allows us to credibly position ourselves as market experts, which in turn justifies premium pricing. Our entrepreneurial culture is reinforced by our Minority Interest model, which is both a significant retention tool for existing management and a unique proposition to attract the brightest and best talent into the Group.

Breakdown of GP	Six months ended 31 May 2009 %	Year ended 30 Nov 2008 %	Six months ended 1 June 2008 %
Contract	58	52	51
Permanent	42	48	49
Total	**100**	**100**	**100**
Non UK	54	45	42
UK	46	55	58
Total	**100**	**100**	**100**
Non ICT	25	23	21
ICT	75	77	79
Total	**100**	**100**	**100**

Geographical Expansion & Sector Expansion

At the half year the Group had 1,650 employees in eleven countries. In the first half the Group added four new offices; Dusseldorf (Progressive), our third office in Frankfurt (Real Resourcing), Hamburg (Computer Futures) and Singapore (Progressive). These openings illustrate the two parallel strands of our international strategy-launching into entirely new territories and further expanding within those where we already have a substantial presence. We continue to see significant scope for expansion in all our current overseas territories albeit that some are more attractive than others given current market conditions.

Overall Non-UK GP grew by 20% to £50.7m (2008: £42.4m) helped by the increasing contribution made by the roll out of newer sectors into newer geographies. The long term potential of this approach is increasingly evident. For example the Group has had a successful UK engineering business for a number of years, but has only more recently started placing engineers in Continental Europe. Looking forward we still have substantial scope for more

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of this type of cross pollination of sectors with geographies. Markets with global scope such as that addressed by our Oil & Gas franchise are particularly exciting examples of newer initiatives. We are currently considering a number of further international office openings due to be rolled out during 2010.

In the UK, GP declined by 29% to £42.4m (2008: £60.1m) and we closed/consolidated a number of smaller sub-critical UK offices as a part of the restructuring. Although currently a challenging geography, the UK is a major market for us and is of great strategic importance to the Group. As such we will defend our UK franchise given the fact that prior to the current downturn the Group's UK business grew at 25% in 2007.

Overall the Group grew GP from non-ICT sectors by 9% to £23.6m (2008: £21.8m). This result needs to be seen in the context that historically the Group's single largest non-ICT franchise has been investment banking business which was clearly operating in a particularly weak market. In addition, the non-ICT business is, compared to ICT, relatively more exposed to the permanent market and to the UK, both very difficult markets currently.

Contract/Permanent Business Mix

The Group saw reductions in volume mitigated by good value growth in both the Permanent and Contract sides of the business. In the first half the Group made 3,302 permanent placements, a reduction of 34.1% (2008: 5,008). At the same time the average fee achieved grew by 17.3% to £11,838 (2008: £10,091). At the half year the Group had a total of 4,494 contractors, a reduction of 21.8% (2008: 5,743). These generated an average gross profit per day rate of £87.67, an improvement of 10.8% (2008: £79.11).

Due to the more rapid growth in Contract GP, the Group's mix of business has changed. In the first half Contract GP represented 58% of the total compared with 52% for 2008 as a whole and 51% for the half year 2008. This shift is explained partly by a natural move towards Contract hiring in a difficult market and by a larger contract contribution from our continental European teams. This in turn reflects the increasing acceptance of the temporary staffing model in territories such as Germany.

Staffing Levels

At the end of the half-year total headcount for the Group was 1,647, an overall decrease of 27.6% on the previous year (2008 year end: 2,274). The Group is agile in terms of its hiring programme and will adapt where necessary to market changes. The Group's strategic preference is for growing headcount primarily through hiring of graduates. As such, the Group has shown itself capable of rapidly increasing headcount as market conditions improve.

Brand Performance

As for the full year 2008, the four largest brands in order of GP contribution were Computer Futures, Huxley, Progressive and Real Resourcing. In aggregate these brands represented 83% of total GP, a figure slightly above 2008 when it was 82%.

In the first half of the year, Computer Futures declined by 11.2% in GP to £26.8m (2008: £30.2m). This was a satisfactory result from our longest established business which benefits from a significant presence in Continental Europe. Huxley declined by 14.9% to £23.5m (2008: £27.6m), an acceptable performance when we take into account that this brand has historically been particularly strong in investment banking and is also more permanent focused than the rest of the Group.

Progressive's GP of £19.8m (2008: £19.9m) showed commendable resilience, primarily due to an increase in its international business and a strong performance in the UK from its newer sectors, particularly Oil & Gas. Real Resourcing grew GP by 12% to £7.4m (2008: £6.6m), by continuing its drive in the public sector. Overall this brand's performance was a very notable achievement given its largely UK focus The smaller brands declined in aggregate by 12.7% reflecting their UK focus and in most cases a greater than (the Group's) average exposure to the financial market.

Taxation

The charge for taxation on profits before exceptional items amounted to £3.5m (2008:£7.5m), an effective rate of 31% (2007:31.4%). The tax rate for the full year is anticipated to increase from 30% to around 31% due to the increased proportion of profits that is expected to arise in overseas territories with comparably higher rates of tax.

Earnings per Share

Basic earnings per share before the exceptional item reduced by 46.6% to 6.3p (2008: 11.8p). After taking account of the exceptional item, earnings per share reduced by 89.8% to 1.1p. Diluted earnings per share before the exceptional item decreased by 46.9% to 6.1p (2008: 11.5p).

Cash Flow

At the start of the period the Group had net cash of £24.6m. During the period the Group generated cash from operating activities of £37.3m (2008: cash inflow of £32.8m) being £6.5m of operating cashflow before changes in working capital and provisions (2008: £27.5m) and a reduction in working capital requirements and provisions of £30.8m (2008: reduction in working capital of £5.3m). At 31 May 2009 the Group had net cash of £43.9m.

A flexible invoice financing arrangement is in place with Royal Bank of Scotland Group (RBS) until 25 February 2010. Under this arrangement the Group is able to borrow up to £50m, with a committed facility of £20m.The Board is in the process of assessing the level of facility required and is in discussions with a number of potential providers. The Board expects to conclude this later in 2009.

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Treasury Management, Currency Risk and Other Principal Risks and Uncertainties affecting the Business

The main functional currencies of the Group are Sterling and the Euro. The Group has significant operations outside the United Kingdom and as such is exposed to movements in exchange rates.

The Board has undertaken a review of its currency hedging strategy to ensure that it is appropriate and currently the Group does not actively manage its exposure to foreign exchange risk by the use of financial instruments, consistent with its major listed competitors. However, the impact of foreign exchange will become a more significant issue for the Group as we expect the business mix to move further towards International, with International business accounting for 54% of gross profit in 2009 (2008: 45%). The Group continues to monitor its policies in this area.

Other principal risks and uncertainties affecting the business activities of the Group are as detailed within the Directors' Report section of the Annual Report for the year ended 30 November 2008, a copy of which is available on the Company's website at www.sthree.com. In terms of macro economic environment risks, as previously stated, our strategy is to continue to grow the size of our international business in both financial terms and geographic coverage in order to reduce the Group's exposure or dependence on any one specific economy, although a downturn in a particular market could adversely impact the Group's business. In the view of the Board, there is no material change expected to the Group's key risk factors in the foreseeable future.

Dividends

It is the Board's intention to pay dividends at a level that it believes is sustainable throughout the economic cycle and is broadly in line with comparable quoted businesses' dividend covers. The Board proposes to pay a maintained interim dividend of 4.0p (2008: 4.0p) per share. The interim dividend will be paid on 4 December 2009 to those shareholders on the register at 6 November 2009.

Outlook

Trading in the first half of 2009 took place against a background of a severe global downturn and sharply declining business confidence.

During the period the Group took decisive steps to ensure that the business remains fit for purpose in the current climate. That said, we are also committed to maintaining a scaleable platform to support future growth and will continue to make prudent investments as these opportunities arise.

The Group's extremely healthy cash position is particularly pleasing to note. This, along with our twenty two year track record of consistent profitability and our seasoned management team position us extremely well to deal with whatever the market presents us with.

Looking beyond the current downturn the Group operates in an extremely attractive market which has delivered profit for the Group in every year since its inception in 1986. Historically the Group's bounce back from downturns has been very rapid. Given that we are ever more an international business and increasingly exposed to markets with strong structural growth, we believe there is no reason why our recovery from the current downturn will be any less marked. In the meantime the strongly cash generative nature of the business and its healthy balance sheet puts us in a strong position to continue to support a robust attitude towards our dividend payment.

Russell Clements
CHIEF EXECUTIVE OFFICER

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Consolidated Income Statement – unaudited

for the six months ended 31 May 2009

		Six months ended 31 May 2009			Six months ended 1 June 2008			Year ended 30 November 2008		
	Note	Before Exceptional items £'000	Exceptional items £'000	Total £'000	Before Exceptional items £'000	Exceptional items £'000	Total £'000	Before Exceptional items £'000	Exceptional items £'000	Total £'000
Continuing operations										
Revenue	2	**280,578**	–	**280,578**	**295,407**	–	**295,407**	**631,520**	–	**631,520**
Cost of sales		(187,283)	–	(187,283)	(192,907)	–	(192,907)	(412,581)	–	(412,581)
Gross profit	2	**93,295**	–	**93,295**	**102,500**	–	**102,500**	**218,939**	–	**218,939**
Administrative expenses	3	(82,308)	(8,464)	(90,772)	(78,105)	(1,957)	(80,062)	(162,129)	(1,957)	(164,086)
Operating profit		**10,987**	**(8,464)**	**2,523**	**24,395**	**(1,957)**	**22,438**	**56,810**	**(1,957)**	**54,853**
Finance income		284	–	284	–	–	–	25	–	25
Finance cost		(96)	–	(96)	(608)	–	(608)	(827)	–	(827)
Profit before taxation		**11,175**	**(8,464)**	**2,711**	**23,787**	**(1,957)**	**21,830**	**56,008**	**(1,957)**	**54,051**
Taxation	4	(3,464)	2,383	(1,081)	(7,478)	613	(6,865)	(16,809)	594	(16,215)
Profit for the period		**7,711**	**(6,081)**	**1,630**	**16,309**	**(1,344)**	**14,965**	**39,199**	**(1,363)**	**37,836**
Attributable to:										
Equity holders of the Company		7,368	(6,081)	1,287	15,227	(1,344)	13,883	37,241	(1,363)	35,878
Minority interest		343	–	343	1,082	–	1,082	1,958	–	1,958
		7,711	**(6,081)**	**1,630**	**16,309**	**(1,344)**	**14,965**	**39,199**	**(1,363)**	**37,836**
Earnings per share	6	**pence**	**pence**	**pence**	**pence**	**pence**	**pence**	**pence**	**pence**	**pence**
Basic		6.3	(5.2)	1.1	11.8	(1.0)	10.8	29.9	(1.1)	28.8
Diluted		6.1	(5.0)	1.1	11.5	(1.0)	10.5	29.2	(1.1)	28.1

An interim dividend of 4.0 pence (1 June 2008: 4.0 pence) per Ordinary Share will be paid on 4 December 2009 to shareholders on the register at the close of business on 6 November 2009.

The notes on pages 11 to 19 form an integral part of these consolidated interim financial statements.

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Consolidated Balance Sheet – unaudited
as at 31 May 2009

	Note	31 May 2009 £'000	1 June 2008 £'000	30 November 2008 £'000
ASSETS				
Non-current assets				
Property, plant and equipment		6,558	6,375	6,575
Intangible assets		11,479	12,638	12,262
Investment in joint venture		–	135	–
Deferred tax assets		5,640	2,838	3,146
		23,677	21,986	21,983
Current assets				
Trade and other receivables	7	101,816	142,861	139,937
Cash and cash equivalents	8	43,943	10,569	24,584
		145,759	153,430	164,521
Total assets		**169,436**	**175,416**	**186,504**
LIABILITIES				
Current liabilities				
Provisions for liabilities and charges	9	(4,011)	(228)	(332)
Trade and other payables		(78,923)	(75,575)	(81,246)
Financial liabilities	10	–	(6,690)	–
Current tax liabilities		(2,966)	(5,130)	(10,818)
		(85,900)	(87,623)	(92,396)
Non-current liabilities				
Provisions for liabilities and charges	9	(3,458)	(3,416)	(3,535)
		(3,458)	(3,416)	(3,535)
Total liabilities		**(89,358)**	**(91,039)**	**(95,931)**
Net assets		**80,078**	**84,377**	**90,573**
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital		1,218	1,311	1,218
Share premium		2,925	2,925	2,925
Capital redemption reserve		168	74	168
Capital reserve		878	878	878
Currency translation reserve		3,910	1,549	2,331
Retained earnings		66,613	74,051	78,906
		75,712	80,788	86,426
Minority interest		4,366	3,589	4,147
Total equity		**80,078**	**84,377**	**90,573**

The notes on pages 11 to 19 form an integral part of these consolidated interim financial statements.

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Consolidated Statement of Changes in Equity – unaudited
as at 31 May 2009

	Share capital	Share premium	Capital redemption reserve	Capital reserve	Currency translation reserve	Retained earnings	Attributable to Company shareholders	Minority interest	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 2 December 2007	**1,383**	**2,925**	**2**	**878**	**69**	**85,751**	**91,008**	**2,425**	**93,433**
Currency translation differences	–	–	–	–	1,480	–	1,480	183	1,663
Deferred tax on employee share options	–	–	–	–	–	(96)	(96)	–	(96)
Current tax on employee share options	–	–	–	–	–	635	635	–	635
Net income recognised directly in equity	–	–	–	–	1,480	539	2,019	183	2,202
Profit for the six months to 1 June 2008	–	–	–	–	–	13,883	13,883	1,082	14,965
Total recognised income and expense for the period	–	–	–	–	1,480	14,422	15,902	1,265	17,167
Repurchase of share capital	(72)	–	72	–	–	(14,401)	(14,401)	–	(14,401)
Repurchase of minority interest	–	–	–	–	–	–	–	(101)	(101)
Dividends to equity holders (note 5)	–	–	–	–	–	(12,004)	(12,004)	–	(12,004)
Employee share award and share option credit	–	–	–	–	–	283	283	–	283
Total movements in equity	(72)	–	72	–	1,480	(11,700)	(10,220)	1,164	(9,056)
Balance at 1 June 2008	**1,311**	**2,925**	**74**	**878**	**1,549**	**74,051**	**80,788**	**3,589**	**84,377**
Currency translation differences	–	–	–	–	782	–	782	(88)	694
Deferred tax on employee share options	–	–	–	–	–	(1,201)	(1,201)	–	(1,201)
Current tax on employee share options	–	–	–	–	–	408	408	–	408
Net income recognised directly in equity	–	–	–	–	782	(793)	(11)	(88)	(99)
Profit for the six months to 30 November 2008	–	–	–	–	–	21,995	21,995	876	22,871
Total recognised income and expense for the period	–	–	–	–	782	21,202	21,984	788	22,772
Repurchase of share capital	(94)	–	94	–	–	(16,849)	(16,849)	–	(16,849)
Issue of share capital	1	–	–	–	–	–	1	–	1
Employee subscription for share awards	–	–	–	–	–	127	127	–	127
Repurchase of minority interest	–	–	–	–	–	–	–	(141)	(141)
Dividends to minority interest	–	–	–	–	–	–	–	(89)	(89)
Employee share award and share option credit	–	–	–	–	–	375	375	–	375
Total movements in equity	(93)	–	94	–	782	4,855	5,638	558	6,196
Balance at 30 November 2008	**1,218**	**2,925**	**168**	**878**	**2,331**	**78,906**	**86,426**	**4,147**	**90,573**
Currency translation differences	–	–	–	–	1,579	–	1,579	84	1,663
Deferred tax on employee share options	–	–	–	–	–	254	254	–	254
Net income recognised directly in equity	–	–	–	–	1,579	254	1,833	84	1,917
Profit for the six months to 31 May 2009	–	–	–	–	–	1,287	1,287	343	1,630
Total recognised income and expense for the period	–	–	–	–	1,579	1,541	3,120	427	3,547
Issue of share capital to minority interest	–	–	–	–	–	–	–	103	103
Repurchase of minority interest	–	–	–	–	–	–	–	(311)	(311)
Dividends to equity holders (note 5)	–	–	–	–	–	(14,434)	(14,434)	–	(14,434)
Employee share award and share option credit	–	–	–	–	–	600	600	–	600
Total movements in equity	–	–	–	–	1,579	(12,293)	(10,714)	219	(10,495)
Balance at 31 May 2009	**1,218**	**2,925**	**168**	**878**	**3,910**	**66,613**	**75,712**	**4,366**	**80,078**

The notes on pages 11 to 19 form an integral part of these consolidated interim financial statements.

SThree plc

Consolidated Cash Flow Statement – unaudited
for the six months ended 31 May 2009

	Note	Six months ended 31 May 2009 £'000	Six months ended 1 June 2008 £'000	Year ended 30 November 2008 £'000
Profit before taxation		2,711	21,830	54,051
Depreciation and amortisation charge		3,038	2,829	5,895
Realised losses on financial instruments	3	–	1,957	1,957
Finance income		(284)	–	(25)
Finance cost		96	608	827
Loss on disposal of property, plant and equipment		309	–	–
Non-cash charge for employee share option and award		600	283	658
Employee subscription for share awards		–	–	127
Operating cashflow before changes in working capital and provisions		**6,470**	**27,507**	**63,490**
Decrease in receivables		41,018	10,689	16,455
(Decrease)/increase in payables		(13,763)	(5,487)	6,731
Increase in provisions		3,583	110	295
Cash flows from operating activities				
Cash generated from operating activities		37,308	32,819	86,971
Income tax paid		(11,735)	(6,129)	(11,449)
Net cash generated from operating activities		25,573	26,690	75,522
Cash flows from investing activities				
Purchase of property, plant and equipment		(1,552)	(1,087)	(2,341)
Purchase of intangible assets		(926)	(2,703)	(3,861)
Net cash used in investing activities		(2,478)	(3,790)	(6,202)
Cash flows from financing activities				
Drawdown on loan facility		–	6,690	–
Repayment of loan facility		–	(1,000)	(1,000)
Cash loss on settlement of treasury investments		–	(2,954)	(2,956)
Finance income		284	–	25
Finance cost		(96)	(608)	(827)
Proceeds from issue of ordinary shares		–	–	1
Issue of share capital to minority interest		103	–	–
Repurchase of share capital		–	(14,401)	(31,250)
Repurchase of minority interest		(311)	(724)	(1,072)
Dividends paid		(4,738)	(4,101)	(12,004)
Dividends paid to minority interest		–	–	(89)
Net cash used in financing activities		(4,758)	(17,098)	(49,172)
Net increase in cash and cash equivalents		**18,337**	**5,802**	**20,148**
Cash and cash equivalents at the beginning of the period		24,584	4,504	4,504
Exchange gain/(loss) on cash and cash equivalents		1,022	263	(68)
Cash and cash equivalents at the end of the period	8	**43,943**	**10,569**	**24,584**

The notes on pages 11 to 19 form an integral part of these consolidated interim financial statements.

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

1. Accounting policies

General information
SThree plc ("the Company") and its subsidiaries (together "the Group") operate predominantly in the United Kingdom and Europe. The Group consists of 12 different brands and provides both permanent and contract specialist staffing services, primarily in the ICT sector and, to an increasing extent, the banking and finance, accountancy, human resources, engineering, pharmaceutical and jobboard sectors.

The Company is a limited liability company incorporated and domiciled in the United Kingdom. The Company is listed on the London Stock Exchange.

These consolidated interim financial statements were approved for issue on 17 July 2009.

These consolidated interim financial statements do not comprise statutory accounts within the meaning of section 240 of the Companies Act 1985 (section 434 of the Companies Act 2006). Statutory accounts for the year ended 30 November 2008 were approved by the Board of directors on 30 January 2009 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 237 of the Companies Act 1985.

These consolidated interim financial statements have been reviewed, not audited.

Basis of preparation
The consolidated interim financial statements for the six months ended 31 May 2009 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34, Interim Financial Reporting as adopted by the European Union. The consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 30 November 2008, which have been prepared in accordance with IFRSs as adopted by the European Union.

Significant accounting policies
The same accounting policies, presentation and methods of computation are followed in these consolidated interim financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended 30 November 2008.

There were no new International Financial Reporting Standards or interpretations that had to be implemented during the period that affect these consolidated interim financial statements.

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

2. Segmental analysis

As the Group operates in one business segment, being that of recruitment services, no additional business segment information is required to be provided. The Group's secondary segment is geographical and the segmental results by geographical area are shown below.

For reasons of risk management and tax planning, in certain instances the Group uses UK registered companies to transact with clients located in continental Europe. As a result we report fully allocated operating profit by location of operating company rather than by location of client.

Geographic analysis

	By location of client			By location of operating company		
	Six months ended 31 May 2009	Six months ended 1 June 2008	Year ended 30 November 2008	Six months ended 31 May 2009	Six months ended 1 June 2008	Year ended 30 November 2008
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue						
United Kingdom	149,449	189,797	386,934	205,002	237,423	486,944
Europe and Rest of World	131,129	105,610	244,586	75,576	57,984	144,576
	280,578	**295,407**	**631,520**	**280,578**	**295,407**	**631,520**
Gross Profit						
United Kingdom	42,591	60,095	121,566	56,127	71,618	144,975
Europe and Rest of World	50,704	42,405	97,373	37,168	30,882	73,964
	93,295	**102,500**	**218,939**	**93,295**	**102,500**	**218,939**
Operating Profit						
Operating profit before exceptional items:						
United Kingdom				6,503	13,401	27,372
Europe and Rest of World				4,484	10,994	29,438
				10,987	**24,395**	**56,810**
Exceptional items (note 3)				(8,464)	(1,957)	(1,957)
				2,523	**22,438**	**54,853**

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

2. Segmental analysis (continued)

By location of operating company

	Total assets			Capital expenditure		
	Six months ended 31 May 2009	Six months ended 1 June 2008	Year ended 30 November 2008	Six months ended 31 May 2009	Six months ended 1 June 2008	Year ended 30 November 2008
	£'000	£'000	£'000	£'000	£'000	£'000
United Kingdom	113,899	130,319	124,817	1,413	3,622	4,806
Europe and Rest of World	55,537	45,097	61,687	1,065	168	1,396
	169,436	**175,416**	**186,504**	**2,478**	**3,790**	**6,202**

The following segmental analyses by brand, recruitment classification and by discipline (being the profession of candidates placed) have been included as additional disclosure over and above the requirements of IAS14 "Segment Reporting".

	Revenue			Gross Profit		
	Six months ended 31 May 2009	Six months ended 1 June 2008	Year ended 30 November 2008	Six months ended 31 May 2009	Six months ended 1 June 2008	Year ended 30 November 2008
	£'000	£'000	£'000	£'000	£'000	£'000
Brand						
Computer Futures Solutions	76,618	84,050	174,838	26,790	30,187	63,081
Huxley Associates	68,528	74,698	160,918	23,463	27,593	60,428
Progressive	61,502	58,198	127,911	19,831	19,938	43,462
Real Resourcing	23,978	21,588	49,713	7,367	6,630	15,443
Pathway	16,016	22,088	45,026	4,569	6,439	13,426
Others	33,936	34,785	73,114	11,275	11,713	23,099
	280,578	**295,407**	**631,520**	**93,295**	**102,500**	**218,939**
Recruitment classification						
Contract	241,452	245,535	525,531	54,206	52,632	113,098
Permanent	39,126	49,872	105,989	39,089	49,868	105,841
	280,578	**295,407**	**631,520**	**93,295**	**102,500**	**218,939**
Discipline						
Information & communication technology	227,663	256,292	535,164	69,674	80,745	168,465
Other[1]	52,915	39,115	96,356	23,621	21,755	50,474
	280,578	**295,407**	**631,520**	**93,295**	**102,500**	**218,939**

[1] *Including accountancy and finance, banking, engineering, oil and gas, pharmaceutical, human resources, energy, jobboard and legal sectors*

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

3. Administrative expenses – exceptional items

Exceptional items are those items which, because of their size, incidence or nature, are disclosed to give a proper understanding of the underlying results for the period. Items classified as exceptional are as follows:

	Six months ended 31 May 2009 £'000	Six months ended 1 June 2008 £'000	Year ended 30 November 2008 £'000
Exceptional items – charged to operating profit			
Corporate and divisional restructuring	(8,464)	–	–
Exchange loss on settlement of financial instruments	–	(1,957)	(1,957)
Exceptional items – before taxation	**(8,464)**	**(1,957)**	**(1,957)**

Corporate and divisional restructuring

On 15 April 2009, the Company announced a number of changes relating to corporate and divisional restructuring. The total cost of this restructuring including redundancy, relocation and consolidation of business, is considered exceptional by virtue of its size. The Group has charged the restructuring cost incurred in the current period.

Exchange loss on settlement of financial instruments

During the prior period, some complex financial instruments transactions were undertaken to mitigate certain foreign currency exposures. These have resulted in a £2.0m loss arising when a series of equal and opposite positions were taken during this financial year in order to reduce the Group's total exposure from these positions to a minimal level. The Board has undertaken a review of its currency hedging strategy to ensure that it is appropriate and currently the Group does not actively manage its exposure to foreign exchange risk by the use of financial instruments. The impact of foreign exchange will become a more significant issue for the Group as we expect the business mix to move further towards our international business, which accounted for 54% of gross profit in H1 2009. The Group continues to monitor its policies in this area. As a result of earlier mitigation, the Group no longer has net exposure to complex derivative financial instruments, which the Board believes are not appropriate for the Group going forward.

4. Taxation

The charge for taxation on profits before exceptional items amounted to £3.5m (2008: £7.5m), an effective rate of 31% (2008: 31.4%) . The tax rate for the full year is anticipated to increase from 30% to around 31% due to the increased proportion of profits that are expected to arise in overseas territories with comparably higher rates of tax.

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Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

5. Dividends

	Six months ended 31 May 2009 £'000	Six months ended 1 June 2008 £'000	Year ended 30 November 2008 £'000
Amounts recognised and distributed to shareholders in the period			
Equity			
Final dividend per Ordinary share (2008: 8.0 pence, 2007: 6.2 pence)	9,696	7,903	7,903
Interim dividend per Ordinary share (2008: 4.0 pence, 2007: 3.1 pence)	4,738	4,101	4,101
	14,434	**12,004**	**12,004**

The final dividend of 8.0 pence per Ordinary share for the year ended 30 November 2008 was approved to be paid on 8 June 2009 to shareholders on record at 1 May 2009 (2008: 6.2 pence for year ended 2 December 2007).

An interim dividend of 4.0 pence for six months ended 31 May 2009 per Ordinary share will be paid on 4 December 2009 to shareholders on the register at the close of business on 6 November 2009 (2008: 4.0 pence for the six months ended 1 June 2008).

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

6. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data.

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of Ordinary shares in issue during the period, excluding those held in the Employee Benefit Trust which are treated as cancelled.

For diluted earnings per share, the weighted average number of Ordinary shares in issue is adjusted to assume conversion of all dilutive potential Ordinary shares.

	Six months ended 31 May 2009	Six months ended 1 June 2008	Year ended 30 November 2008
	£'000	£'000	£'000
Earnings			
Profit after taxation excluding exceptional items	7,711	16,309	39,199
Minority Interest	(343)	(1,082)	(1,958)
Adjusted profit for the period attributable to the equity holders of the Company excluding exceptional items	7,368	15,227	37,241
Effect of exceptional items (net of tax)	(6,081)	(1,344)	(1,363)
Profit after taxation attributable to equity holders of the Company	1,287	13,883	35,878
	millions	**millions**	**millions**
Number of shares			
Weighted average number of shares used for basic EPS	117.7	129.0	124.7
Dilutive effect of share plans	3.4	3.4	3.0
Diluted weighted average number of shares used for diluted EPS	121.1	132.4	127.7
	pence	**pence**	**pence**
Basic			
Basic earnings per share	1.1	10.8	28.8
Adjusted basic earnings per share excluding exceptional items	6.3	11.8	29.9
Diluted			
Diluted earnings per share	1.1	10.5	28.1
Adjusted diluted earnings per share excluding exceptional items	6.1	11.5	29.2

All earnings are derived from continuing operations

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

7. Trade and other receivables

	31 May 2009	1 June 2008	30 November 2008
	£'000	£'000	£'000
Current			
Trade receivables	72,228	107,471	104,675
Less provision for impairment of trade receivables	(3,243)	(4,001)	(2,772)
Net trade receivables	68,985	103,470	101,903
Other receivables	3,348	3,439	1,228
Prepayments and accrued income	29,483	35,952	36,806
	101,816	**142,861**	**139,937**

Trade receivables do not carry interest. The Group makes judgements on an entity by entity basis as to its ability to collect outstanding receivables and provides an allowance for doubtful accounts based on a specific review of significant outstanding invoices. For those invoices not specifically reviewed, provisions are provided at differing percentages based on the age of the receivable. In determining these percentages, the Group analyses its historical collection experience and current economic trends. Trade receivable balances are written off when the Group determines that it is unlikely that future remittances will be received. Management considers the carrying values of trade and other receivables are equal to the fair value and are deemed to be current assets.

Trade receivables and cash and cash equivalents are deemed to be all current loan and receivables for disclosure under IFRS 7 'Financial Instruments' – Disclosures.

	31 May 2009	1 June 2008	30 November 2008
	£'000	£'000	£'000
The following table shows the development of allowances on receivables:			
Allowances at start of financial period	2,772	4,226	4,226
Charge for the period	2,275	1,756	1,321
Amounts utilised during the period	(508)	(363)	(757)
Amounts released during the period	(1,296)	(1,618)	(2,018)
Allowances at end of financial period	**3,243**	**4,001**	**2,772**

8. Cash and cash equivalents

	31 May 2009	1 June 2008	30 November 2008
	£'000	£'000	£'000
Cash and cash equivalents include the following for the purposes of the cash flow statement:			
Cash in hand and at bank	43,943	10,569	24,584
	43,943	**10,569**	**24,584**

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

9. Provisions for liabilities and charges

	Restructuring £'000	Property £'000	Other £'000	Total £'000
At 2 December 2007	–	818	2,684	3,502
Charged/(released) to the income statement	–	180	(38)	142
At 1 June 2008	–	998	2,646	3,644
Charged/(released) to the income statement	–	290	(67)	223
At 30 November 2008	–	1,288	2,579	3,867
Charged/(released) to the income statement	3,788	186	(372)	3,602
At 31 May 2009	**3,788**	**1,474**	**2,207**	**7,469**

Current/non-current analysis:	31 May 2009 £'000	1 June 2008 £'000	30 November 2008 £'000
Current liabilities	4,011	228	332
Non-current liabilities	3,458	3,416	3,535
	7,469	**3,644**	**3,867**

Restructuring
During the period the Group restructured its operations and incurred an exceptional restructuring charge of £8.5m. As at 31 May 2009, £3.8m remains as a provision relating to people exit and property rationalisation costs.

Property
Dilapidations – The Group is obliged to pay for dilapidations at the end of its tenancy of various properties. Provision has been made based on independent professional estimates of the likely costs based on current conditions and these have been spread over the relevant lease term. The liability will crystalise as follows: within one year £0.2m, one to five years £0.9m and after five years £0.4m.

Other
The provision meets the definition of a financial liability and arises from a contractual obligation.

Other provisions principally include amounts in respect of contractual liabilities resulting from indemnities given to Group clients in continental Europe arising in the normal course of business in respect of the employment status of contractors.

The timing of settlement is uncertain but the Directors expect that the provision may be utilised within the average statute of limitation period in the countries to which this exposure relates.

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Notes to the Financial Statements – unaudited
for the six months ended 31 May 2009

10. Financial liabilities

	31 May 2009	1 June 2008	30 November 2008
	£'000	£'000	£'000
Invoice financing	–	6,690	–
	–	6,690	–

A flexible invoice financing arrangement is in place with the Royal Bank of Scotland Group (RBS) until February 2010. Under this arrangement the Group is able to borrow up to £50.0m, with a committed facility of £20m. Funds borrowed under this facility bear interest at a rate of 0.75 per cent above the RBS base rate.

11. Related party disclosure

The Group's significant related parties are as disclosed in the SThree plc Annual Report for the year ended 30 November 2008. There were no material differences in related parties or related party transactions in the period or prior period.

SThree

Statement of Directors’ Responsibilities

The Directors' confirm that this condensed consolidated interim statement has been prepared in accordance with IAS 34 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 set of 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 and any material changes in the related-party transactions described in the last Annual Report.

The Directors of SThree Group plc are listed in the SThree Group plc Annual Report for 30 November 2008 and there were no changes in the period. A list of current Directors is also maintained on the SThree Group plc website: www.sthree.com.

By order of the Board

17 July 2009

Russell Clements
CHIEF EXECUTIVE OFFICER

Alex Smith
CHIEF FINANCIAL OFFICER

Review Report

Independent review report to SThree plc

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 May 2009, which comprises the Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, 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.

Scope of review

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 Ireland) 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 May 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
London
17 July 2009

Notes:

(a) The maintenance and integrity of the SThree plc website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Shareholder Information

Shareholders Enquiries and Electronic Communications – www.capitaregistrars.com

Shareholders with enquiries relating to their shareholding should contact Capita Registrars. Alternatively, you may access your account via www.capitaregistrars.com, but will need to have your shareholder reference available when you first log in, which may be found on your dividend voucher, share certificate or form of proxy. The online facility also allows shareholders to view their holding details, find out how to register a change of name or what to do if a share certificate is lost, as well as download forms in respect of changes of address, dividend mandates and share transfers.

Shareholders who would prefer to view documentation electronically can elect to receive automatic notification by e-mail each time the Company distributes documents, instead of receiving a paper version of such documents, by registering a request via the Registrar by calling 0871 664 0391 (from UK – calls cost 10p per min plus network extras) or + 44 208 639 3367 (Non UK) or by registering online at: Http://www.capitaregistrars.com/shareholders/products/ecommunications.asp

There is no fee for using this service and you will automatically receive confirmation that a request has been registered. Should you wish to change your mind or request a paper version of any document in the future, you may do so by contacting the Registrar.

Potential targeting of shareholders

Companies have become aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high risk shares in US or UK investments. They can be very persistent and extremely persuasive and a 2006 survey by the Financial Services Authority (FSA) has reported that the average amount lost by investors is around £20,000. It is not just the novice investor that has been duped in this way; many of the victims had been successfully investing for several years. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

If you receive any unsolicited investment advice:

- Make sure you get the correct name of the person and organisation.
- Check that they are properly authorised by the FSA before getting involved. You can check at www.fsa.gov.uk/register
- The FSA also maintains on its website a list of unauthorised overseas firms who are targeting, or have targeted, UK investors and any approach from such organisations should be reported to the FSA so that this list can be kept up to date and any other appropriate action can be considered. If you deal with an unauthorised firm, you would not be eligible to receive payment under the Financial Services Compensation Scheme. The FSA can be contacted by completing an online form at www.fsa.gov.uk/pages/doing/regulated/law/alerts/overseas.shtml
- Inform the Registrar as shown above.

Details of share dealing facilities that the Company endorses will only be included in mailings direct from the Company. More detailed information on this or similar activity can be found on the FSA website www.fsa.gov.uk/consumer/

ADR information

For US investors, the Company has set up a Level One ADR facility, under the ticker symbol 'SERTY'.The Bank of New York (BNY) act as both ADR depositary bank & registrar for this facility. For further information, please visit BNY's website at www.adrbny.com and search for the SThree profile page. Holders can also access their account with BNY, using the following contact details:

The Bank of New York
Investor Services
P.O. Box 11258
Church Street Station
New York, NY 10286-1258
Toll Free Tel # for US domestic callers:
1-888-BNY-ADRs
International callers: 212-815-3700
For the issuance of ADRs please contact:
Jason Paltrowitz
Tel: +1 212 815 2077
Fax: +1 212 571 3050
E-mail: jpaltrowitz@bankofny.com
Email: shareowners@bankofny.com
Websites: http://www.stockbny.com

Share price information

Information on the Company's share price can be found on www.sthree.com, or via the FT Cityline Service, telephone 0906 003 0000 (code 3912). Calls are charged at 60p per minute from a BT landline, and charges from other telephone networks may vary.

Share dealing service

A share dealing service for the purchase or sale of shares in SThree plc is available through Capita Share Dealing Services, who provide an efficient and cost effective way for private shareholders to buy and sell shares online or over the telephone. Contact details are as follows:

Capita Share Dealing Services,
PO Box 276,
Beckenham, Kent, BR3 4UL
Website: http://www.capitadeal.com/
Tel UK: 0871 664 0364
Tel Ireland: 1 890 946 375

Dividend Re-investment Plan (DRIP) (non sponsored)

For any shareholders who wish to re-invest dividend payments in additional shares of the Company, a facility is provided by Capita IRG Trustees Ltd in conjunction with Capita Registrars. Under this facility, accrued dividends are used to purchase additional shares at the then market price. Any shareholder requiring further information on this should contact Capita on (UK) 0871 664 0381* or (Non-UK) +44 208 639 3402 or should e-mail: shares@capitaregistrars.com.

* Calls at 10p per minute plus network extras

ShareGift

ShareGift (registered charity no. 1052686) operates a charity share donation scheme for shareholders with small parcels of shares whose value may make it uneconomic to sell. Details of the scheme are available from:

ShareGift at www.sharegift.org
Telephone 020 7930 3737

Financial Calendar 2009/10

Half-year period end – 31 May 2009
Interim results announced – 20 July 2009
Ex-div date for interim dividend – 4 Nov 2009
Record date for interim dividend – 6 Nov 2009
Interim dividend payable – 4 Dec 2009
Financial Year End – 29 Nov 2009
Full-year results announced – Feb 2010
Annual General Meeting – April 2010
Final dividend payable – June 2010