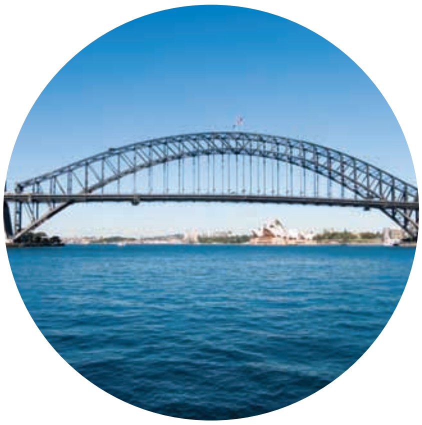
SThree plc
Interim Statement 2008






SThree plc

Company Information and Corporate Advisers

Executive Directors
Russell Clements
Gary Elden
Alex Smith
Sunil Wickremeratne

Non-Executive Directors
Sir Anthony Cleaver
Paul Bowtell
Alicja Lesniak
Tony Ward, OBE
Nadhim Zahawi

Secretary and Registered Office
Steve Hornbuckle
41-44 Great Windmill Street
London
W1D 7NB

Company number
3805979

Contact details
Tel: 020 7292 3838
Fax: 020 7292 3839
Email: enquiries@sthree.com
Web: www.sthree.com

Auditors
PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Registrars (ordinary shares)
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
BR3 4TU
Tel: (UK) 0871 664 0300*
Tel: (Non-UK) +44 20 8639 3399
Fax: 020 8658 3430
Email: ssd@capitaregistrars.com
Web: www.capitaregistrars.com

* Calls at 10p per minute plus network extras

Solicitors
Linklaters
One Silk Street
London
EC2Y 8HQ

Clifford Chance LLP
10 Upper Bank Street
London
E14 5JJ

Financial Advisers & Stockbrokers
UBS Investment Bank
1 Finsbury Avenue
London
EC2M 2PP

Investec Investment Banking
2 Gresham Street
London EC2V 7QP

Financial PR
Citigate Dewe Rogerson
3 London Wall Buildings
London Wall
London EC2M 5SY

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Contents

Name: Julia Fröhlig

Position: Senior Team Leader

Birthplace Münster, Germany

Why I work for SThree:

"SThree's meritocratic system is excellent – careerwise, the sky really is the limit."

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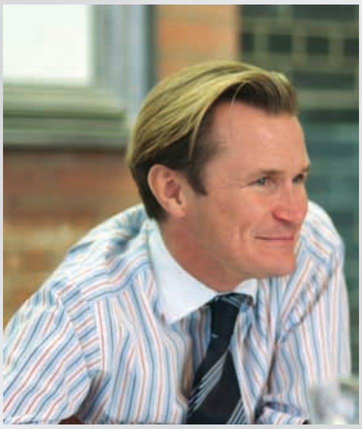
Interim Highlights
for the six months ended 1 June 2008



"We are pleased with the performance of the Group in the first half, having once again posted strong growth. Our established strategy of geographical and sector diversification continues to deliver excellent results and it is pleasing to note that 41% of the Group's business now comes from outside of the UK.

The current uncertain economic situation has been reflected in some areas of the UK market, particularly those exposed to the banking and finance sector. However, this has been offset by an extremely robust performance from our international offices. As a result we believe we remain on course to make good progress for the year as a whole.

We take confidence from the fact that SThree has a twenty two year track record of profitability and cash generation throughout the economic cycle. We also benefit from a seasoned management team who have gained their experience through all types of market conditions. SThree operates an agile business model notable for its flexibility and this positions us well to adapt quickly should the market require us to do so."

Russell Clements,
Chief Executive Officer

Operational Highlights

- Satisfactory first half performance consistent with Board expectations. Gross Profit up 24% to £102.5m
- Permanent placements increased by 9.3% to 5,008 (2007: 4,580). Average permanent placement fee up 10.7% to £10,091 (2007: £9,116)
- Number of active contractors at period end increased by 15.5% to 5,743 (2007: 4,974) with average Gross Profit per day rates increased by 8.2% to £79.11 (2007: £73.14)
- Permanent versus Contract mix of Gross Profit now 51:49 in favour of Contract
- Non-UK Gross Profit for the period represents 41% of the Group total (2007: 32%).
- International business performed particularly strongly, growing by 58% to £42.4m (2007: £26.8m). The UK business posted an 8% growth in GP to £60.1m (2007: £55.8m)
- Non-ICT business segments grew very strongly, increasing by 56% to £21.8m (2007: £13.9m) representing 21% of total Gross Profit
- New offices opened in Sydney and Dubai in first half of the year, establishing the business in two new regions. Additional offices opened in Paris and Amsterdam
- Basic earnings per share before exceptional items increased by 26.9% to 11.8p (2007: 9.3p)
- Net cash position transformed from H1 2007, to £3.9m net cash (2007: £40.6m net debt) and reduction of days sales outstanding figure to 51 (2007: 80)
- Since the end of financial year 2007, £18.9m returned to shareholders via share buy backs
- Interim dividend declared of 4.0p (2007: 3.1p) an increase of 29%

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Operating Review
for the six months ended 1 June 2008

Financial Highlights

	Six months ended 1 June 2008 £m	Six months ended 3 June 2007 £m	% change
Revenue	295.4	240.4	22.9%
Gross profit	102.5	82.5	24.2%
Operating profit before exceptional items	24.4	19.6	24.4%
Profit before taxation before exceptional items	23.8	19.2	24.0%
Profit before taxation after exceptional items	21.8	19.2	13.9%
Profit for the period after exceptional items	15.0	13.2	13.7%
Basic earnings per share before exceptional items	11.8p	9.3p	26.9%
Basic earnings per share after exceptional items	10.8p	9.3p	16.1%
Interim dividend	4.0p	3.1p	29.0%

Operating Review

The first half of 2008 saw a solid performance from the Group, with Gross Profit (GP) growing by 24.2% to £102.5m (2007: £82.5m). We are particularly pleased with the outstanding contribution of our international teams. In the first half Non-UK GP grew by 58% to £42.4m (2007: £26.8m). Although early returns from our newest offices in Hong Kong, Dubai and Sydney 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, even the financial markets have held up relatively well. This resilience is a reflection of the strong structural growth that characterises much of our fast growing international business. The increasing internationalisation of the Group is the most significant theme to note from the period. As at the half year 41% of Group GP was derived from outside of the UK, up from 32% at the end of the 2007 financial year.

GP growth in the UK was 8.0% ahead at £60.1m (2007: £55.8m). This was due to two major factors. Firstly the slowdown in the banking sector and areas directly linked to it had a meaningful impact. Secondly headcount growth in the UK was modest by recent standards at 7.8% ahead from the first half of last year. Given this fact it is interesting to note that the per capita yields achieved in the UK were basically unchanged from last year.

The slowdown in headcount growth in the UK was partly a reflection of the Group requiring fewer Consultants in the banking and related markets, as well as moving a number of experienced Consultants abroad to help with the Groups' international expansion and therefore deliberate. However it was also a reflection of the fact that the Group found hiring staff more challenging than in the recent past and hence were not able to grow teams as significantly as in previous years.

During the first half of the year the Group benefited from a far more stable environment in terms of its internal finance and information systems. We are now starting to see a return on the investment we made on the 2007 ERP implementation, which was reflected in the very significant improvement in the Group's cash collection performance. At the half year the Group held £3.9m of net cash compared to £40.6m of net debt at the same time last year. The days sales outstanding ("DSO") figure reduced to 51 days at the period end from 80 days in the prior year and is an improvement on the pre-ERP regime. This allowed the Group to fund the repurchase of £14m worth of its shares – approximately 5.5% of the total share capital.

At the start of the year the Group recognised a £2m loss associated with the early closure of a number of complex derivatives-based foreign exchange contracts. The Group now has a hedging strategy which makes no use of complex derivatives products. As such the loss is taken in the accounts as an exceptional item.

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. At the same time the Group does not neglect the importance of its longer established franchises. Our default assumption is that the strategy will be based on organic growth. As such we will continue to invest in growing the headcount of the teams wherever the market situation and management capabilities justify it. We are pleased to see the results of our diversification strategy reflected in the fact that for the first time in the Group's history its UK ICT franchise is now a minority of Group GP at 45% of the total. This compares with 53% for the first half of 2007.

A key element of our strategy is that we 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 (particularly in the UK and 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 77% of the candidates we placed were ICT professionals, only 25% of our customers are in the ICT sector. The fact that the Group's first half contract margin improved to 21.8% (2007: 21.2%) is further evidence of the validity of this approach.

Our multi-brand approach allows the Group to segment the market around specific niches. This allows us to credibly position ourselves as market experts, which in turn justifies a premium pricing position. 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.

Geographical Expansion

At the half year the Group had a total of fifty-four offices in ten countries. In the first half the Group added four new offices; Dubai (Pathway), Sydney (Progressive), Paris (Huxley) and Amsterdam (Madison Black). In the former two cases these were the Group's first moves into the respective regions, in the latter two the offices added to an already well-established SThree presence in France and Holland. These 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.

The new offices for Madison Black and Pathway were both brands' first non-UK locations and reflect the fact that the Group's international growth is increasingly being undertaken by brands which have hitherto been solely UK based. To put this in some context, our longest established international brand Computer Futures now generates more than 60% of its business from outside of the UK.

Overall Non-UK GP grew by 58% to £42.4m (2007: £26.8m) helped by the increasing contribution made by the roll out of newer sectors into newer geographies. The exciting potential of this approach is increasingly evident. The Group has had a successful UK engineering business for a number of years, but has only much more recently started placing engineers in continental Europe. The longer term potential of this initiative in a market such as Germany is clearly very significant and only one example of many.

The first half of the year saw the Group expand its geographical footprint into the Middle East and Australia. These represent very different opportunities given the major differences in the maturity of the specialist staffing market in the two regions. That said, we are pleased with the early progress we have seen and both businesses are making strides towards repaying their initial investment. The same applies to our Hong Kong office, which has performed very satisfactorily despite thus far being primarily focused on the investment-banking sector. We are currently enhancing this franchise through the addition of an ICT capability.

We continue to believe that the structural growth characteristics of our international markets mean they have the potential to show greater resilience to economic uncertainty, given their relatively underdeveloped and less intensively competitive nature. On this basis we have further plans for expansion in 2009 and have targeted Singapore, France and Germany for additional office openings.

In the UK the Group grew GP by 8% to £60.1m (2007: £55.8m). The UK market has seen a significant impact from the fall out of the credit crunch with the Investment banking market being the worst affected sector by some way. As a relatively mature market the UK is in principal more sensitive to the effects of a slowdown. Nevertheless, even with a very uncertain economic background and negative sentiment providing the backdrop for the whole of the first half, UK GP still grew satisfactorily. This performance was supported by the roll out of newer segments, which helped offset the impact of the banking slowdown. Notable amongst these was the strength of demand in the UK Oil and Gas market.

Sector Expansion

Overall the Group grew GP from non-ICT sectors by 56% to £21.8m (2007: £13.9m). This was a significant acceleration in the rate of growth recorded during the full year 2007 when the non-ICT business achieved 33.3% growth. This result needs to be seen in the context that historically the Group's single largest non-ICT franchise has been its UK investment banking business which, as noted above, has been badly affected by the fallout from the banking crisis.

The strength of the Non-ICT segment reflects two factors. First, the somewhat longer established UK Non-ICT teams have reached a meaningful degree of critical mass. Second, the roll out of non-ICT disciplines to the newer geographies, which was at an embryonic stage last year, has started to gain traction.

As a consequence the contribution made by the non-ICT segment to the overall mix of business increased significantly. In 2007 the overall percentage of GP attributable to the newer sectors was 17% whereas by the half year this figure had changed to 21% of the total. This is a strong reinforcement of the potential of rolling out the SThree model to newer disciplines and we will continue to invest in this area. Our assumption is that as this programme continues, the non-ICT segment will play an increasingly important role in the Group's performance.

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Operating Review
for the six months ended 1 June 2008

Contract/Permanent Business Mix

The Group once again benefited from improvements in both volume and value in both the Permanent and Contract sides of the business. In the first half the Group made 5,008 permanent placements, an increase of 9.3% (2007: 4,974). At the same time the average fee achieved grew by 10.7% to £10,091 (2007: £9,116). At the half year the Group had a total of 5,743 contractors, a growth rate of 15.5% (2007: 4,974). These generated an average gross profit per day rate of £79.11 an improvement of 8.2% (2007: £73.14).

Due to the more rapid growth in Contract GP, the Group's mix of business has changed. In the first half Contract GP represented 51% of the total compared with 49% for 2007 as a whole and 50% for the half year 2007. This slight change is explained partly by a natural move towards Contract hiring in a less confident market such as banking in the UK, but also a larger contract contribution from some of our continental European teams. This 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 2,122 (2007: 1,771) an overall increase of 19.8% on the previous year. Of this total, sales headcount grew by 23% but this growth was heavily weighted to our newer geographies, which were 59.1% ahead of their 2007 figure. By contrast the UK sales headcount was only 7.8% ahead of which a large proportion was attributable to teams addressing newer non-ICT disciplines.

As noted above, the relatively modest headcount growth in the UK reflects a more challenging environment for hiring trainee consultants in the UK and is also a function of the Group's year-on-year reduction in the number of consultants addressing the banking market.

The Group plans to continue to hire to support its growth where the market opportunity supports this approach. In the current circumstances this is likely to result in relatively modest headcount growth in the UK and continued strong growth in other territories. However, the Group is agile in terms of its hiring programme and will adapt where necessary to market changes – be they positive or negative.

Brand Performance

As in 2007 the four largest brands in the first half in order of GP contribution were Computer Futures, Huxley, Progressive and Pathway. In aggregate these brands represented 82% of total GP, a figure slightly above 2007 when it was 78%. All four brands grew significantly albeit at differing rates depending on their mix of business and sector specialism.

In the first half Computer Futures achieved a 30.6% improvement in GP to £30.2m (2007: £23.1m). This was a strong result from our longest established business which benefits from a significant presence in continental Europe. Huxley grew by 24.5% to £27.6m (2007: £22.2m), a satisfactory performance when we take into account that this brand has a well developed UK banking franchise and hence has faced the most challenging market conditions of our major businesses.

Progressive's GP of £19.9m (2007: £14.1m) showed a major acceleration in its growth from 27.3% to 41.6%, primarily due to an increase in its international business and a strong performance in the UK from its newer sectors, particularly Oil & Gas. Pathway grew GP to £6.4m (2007: £5.4m) a rate of 19.2%, with its new office in Dubai playing a role in offsetting a tougher UK market. The smaller brands managed in aggregate to grow by a more modest 3.3% reflecting their UK focus and in most cases a greater than (the Group's) average exposure to the banking market.

Taxation

The charge for taxation on profits before exceptional items amounted to £7.5m (2007: £6.0m), an effective tax rate of 31.4% (2007: 31.3%). Under Schedule 23 of the Finance Act 2003, the Group obtains a corporation tax deduction relating to the various share awards and options exercised. The amount of the tax deduction is calculated by reference to the share price at the time of award or exercise. As a consequence, there is a cash benefit to the Group of such tax deductions, which, under IFRS, is dealt with through equity. The total Schedule 23 tax benefit amounts to £0.6m (2007: £9.1m).

Earnings Per Share

Basic earnings per share before the exceptional item (i.e. the £2m derivatives loss) increased by 27% to 11.8p (2007: 9.3p). After taking account of the current-period exceptional item, earnings per share increased by 16%. Diluted earnings per share before exceptional items increased by 28% to 11.5p (2007: 9.0p).

Cash Flow

At the start of the period the Group had net cash of £3.5m. During the period the Group generated cash from operating activities of £32.8m (2007: cash outflow of £24.7m) being £27.5m of operating cashflow before changes in working capital and provisions (2007: £21.0m) and a reduction in working capital requirements and provisions of £5.3m (2007: increase in working capital of £45.7m). At 1 June 2008 the Group had net cash of £3.9m.

During the period, the Group spent some £14.4m purchasing 7.2m of its own shares. Since the period end the Group has purchased a further 2.7m shares at a cost of £4.5m. This programme was financed utilising existing facilities. A flexible invoice financing arrangement is in place with Royal Bank of Scotland Group (RBS) until February 2010. Under this arrangement the Group is able to borrow up to £50m, with a committed

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Operating Review
for the six months ended 1 June 2008

facility of £20m. The Board is satisfied that these facilities are appropriate for the Group's needs. It is the current intention of the Group to continue to purchase shares for cancellation when the circumstances make it appropriate to do so.

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

The Group does not have material transactional currency exposures although is exposed to translation differences on the profits and cash flows generated by its overseas operations, the main functional currencies of the Group being Sterling and the Euro. As reported in February 2008, some derivative transactions were undertaken to mitigate certain exposures to complex derivative financial instruments and these results include a £2.0m loss arising from having closed the positions before maturity.

The Board has since undertaken a review of its foreign exchange hedging strategy to ensure that it is appropriate, given the Group's increasing international business and has adopted a policy not to hedge translation risk, but to hedge transaction exposures, as appropriate, consistent with our major listed competitors. As a result of the earlier mitigation, the Group no longer has exposure to complex derivative financial instruments, which the Board believes are not appropriate for the Group going forward.

The other principal risks and uncertainties affecting the business activities of the Group remain those detailed within the Directors' Report section of Annual Report for the year ended 2 December 2007, 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 in these factors in respect of the remaining six months of the year.

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 an interim dividend of 4.0p (2007: 3.1p) per share, an increase of 29%. The interim dividend will be paid on 5 December 2008 to those shareholders on the register at 7 November 2008.

Outlook

Trading in the first half of 2008 took place against a background of an international banking crisis, economic uncertainty and a decline in business confidence. Notwithstanding this the Group grew GP by 24.4% £102.5m (2007: £82.5m) and profit before tax (before exceptionals) by 24.0% to £23.8m (2007: £19.2m) We see this performance as an indication that the specialist staffing market has the capacity to show greater resilience than it is often given credit for having.

Without question the Group's first half result was enhanced by the excellent performance of its international franchises and the strong structural growth characteristics, which are typical of the markets in which they operate. Similarly we must recognise that the UK market is tougher than it has been in recent years.

Even so, we regard the fact that a market as relatively mature as the UK has shown the ability to grow in such difficult circumstances as a positive sign. Historically the specialist staffing market has not required buoyant economic growth to grow healthily. Given the evidence currently available, the Group remains realistic but positive regarding its future prospects and we have no reason to assume that we will not be able to achieve the Board's previous expectations for the year as a whole.

In the event of a serious further deterioration in the underlying economic situation the Group would of course expect to be affected. However SThree has a number of strengths that position it well to cope with a change in market conditions. First, the Group has a strong contract business – the temporary market has consistently been more resilient to downturns and also provides a cash hedge as working capital unwinds. Second, it has exposure to international markets with significant structural growth characteristics. Third, it has a flexible business model, particularly in terms of the low percentage of fixed to variable consultant remuneration. Finally, it has a twenty two-year track record of profitability and a seasoned management team with experience gained throughout the economic cycle.

Russell Clements

Russell Clements
CHIEF EXECUTIVE OFFICER

SThree plc

Consolidated Income Statement – unaudited
for the six months ended 1 June 2008

	Note	Six months ended 1 June 2008 Before Exceptional Items £'000	Six months ended 1 June 2008 Exceptional Items £'000	Six months ended 1 June 2008 Total £'000	Six months ended 3 June 2007 Total £'000	Year ended 2 December 2007 Total £'000
Revenue	2	**295,407**	–	**295,407**	**240,387**	**522,698**
Cost of sales		(192,907)	–	(192,907)	(157,875)	(340,033)
Gross profit	2	**102,500**	–	**102,500**	**82,512**	**182,665**
Administrative expenses	3	(78,105)	(1,957)	(80,062)	(63,022)	(130,408)
Other operating income		–	–	–	132	–
Operating profit		**24,395**	**(1,957)**	**22,438**	**19,622**	**52,257**
Finance cost		(608)	–	(608)	(479)	(1,979)
Share of profit of joint venture		–	–	–	31	46
Profit before taxation		**23,787**	**(1,957)**	**21,830**	**19,174**	**50,324**
Taxation	4	(7,478)	613	(6,865)	(6,008)	(16,509)
Profit for the period		**16,309**	**(1,344)**	**14,965**	**13,166**	**33,815**
Attributable to:						
Equity holders of the Company		15,227	(1,344)	13,883	12,053	32,648
Minority interest		1,082	–	1,082	1,113	1,167
		16,309	**(1,344)**	**14,965**	**13,166**	**33,815**
Earnings per share	6	**pence**	**pence**	**pence**	**pence**	**pence**
Basic		11.8	(1.0)	10.8	9.3	25.2
Diluted		11.5	(1.0)	10.5	9.0	24.1

All amounts relate to continuing operations.

An interim dividend of 4.0p (3 June 2007: 3.1p) per ordinary share will be paid on 5 December 2008 to shareholders on the register at the close of business on 7 November 2008.

The notes on pages 10 to 19 form an integral part of this consolidated interim financial information.

SThree plc

Consolidated Balance Sheet – unaudited
as at 1 June 2008

	Note	1 June 2008 £'000	3 June 2007 £'000	2 December 2007 £'000
ASSETS				
Non-current assets				
Property, plant and equipment	7	6,375	5,038	6,479
Intangible assets – other	8	11,633	6,033	10,389
Intangible assets – goodwill	8	1,005	364	382
Investment in joint venture		135	120	135
Deferred tax asset		2,838	12,061	3,052
		21,986	23,616	20,437
Current assets				
Trade and other receivables		142,861	148,339	151,085
Current tax debtor		–	3,981	–
Cash and cash equivalents	10	10,569	–	4,771
		153,430	152,320	155,856
Total assets		**175,416**	**175,936**	**176,293**
LIABILITIES				
Current liabilities				
Provisions for liabilities and charges	11	(228)	(345)	(250)
Trade and other payables		(75,575)	(48,010)	(73,180)
Financial liabilities	13	(6,690)	(40,545)	(1,267)
Current tax liability		(5,130)	–	(4,911)
		(87,623)	(88,900)	(79,608)
Non-current liabilities				
Provisions for liabilities and charges	11	(3,416)	(6,265)	(3,252)
		(3,416)	(6,265)	(3,252)
Total liabilities		**(91,039)**	**(95,165)**	**(82,860)**
Net assets		**84,377**	**80,771**	**93,433**
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital		1,311	1,385	1,383
Share premium		2,925	2,925	2,925
Capital redemption reserve		74	–	2
Capital reserve		878	878	878
Currency translation reserve		1,549	(175)	69
Retained earnings		74,051	74,297	85,751
		80,788	79,310	91,008
Minority interest		3,589	1,461	2,425
Total equity		**84,377**	**80,771**	**93,433**

The notes on pages 10 to 19 form an integral part of this consolidated interim financial information.

SThree plc

Consolidated Statement of Changes in Equity – unaudited

as at 1 June 2008

	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 1 December 2006	**1,380**	**2,925**	**–**	**878**	**(248)**	**58,828**	**63,763**	**348**	**64,111**
Currency translation differences	–	–	–	–	73	–	73	–	73
Deferred tax on employee share options	–	–	–	–	–	494	494	–	494
Current tax on employee share options	–	–	–	–	–	9,136	9,136	–	9,136
Net income recognised directly in equity	–	–	–	–	73	9,630	9,703	–	9,703
Profit for the six months to 3 June 2007	–	–	–	–	–	12,053	12,053	1,113	13,166
Total recognised income and expense for the period	–	–	–	–	73	21,683	21,756	1,113	22,869
Dividends paid to equity holders	–	–	–	–	–	(6,345)	(6,345)	–	(6,345)
New share issue	–	–	–	–	–	–	–	–	–
Employee share award and share option credit	5	–	–	–	–	131	136	–	136
Total movements in equity	5	–	–	–	73	15,469	15,547	1,113	16,660
Balance at 3 June 2007	**1,385**	**2,925**	**–**	**878**	**(175)**	**74,297**	**79,310**	**1,461**	**80,771**
Currency translation differences	–	–	–	–	244	–	244	–	244
Deferred tax on employee share options	–	–	–	–	–	(8,091)	(8,091)	–	(8,091)
Current tax on employee share options	–	–	–	–	–	(878)	(878)	–	(878)
Net income recognised directly in equity	–	–	–	–	244	(8,969)	(8,725)	–	(8,725)
Profit for the six months to 2 December 2007	–	–	–	–	–	20,595	20,595	54	20,649
Total recognised income and expense for the period	–	–	–	–	244	11,626	11,870	54	11,924
Repurchase of share capital	(2)	–	2	–	–	(388)	(388)	–	(388)
Issue of share capital to minority interest	–	–	–	–	–	–	–	990	990
Repurchase of minority interest	–	–	–	–	–	–	–	(10)	(10)
Dividends paid to minority interest	–	–	–	–	–	–	–	(70)	(70)
Employee share award and share option credit	–	–	–	–	–	216	216	–	216
Total movements in equity	(2)	–	2	–	244	11,454	11,698	964	12,662
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 paid 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	(1,700)	(10,226)	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**

The notes on pages 10 to 19 form an integral part of this consolidated interim financial information.

SThree plc

Consolidated Cash Flow Statement – unaudited

for the six months ended 1 June 2008

	Note	Six months ended 1 June 2008 £'000	Six months ended 3 June 2007 £'000	Year ended 2 December 2007 £'000
Cash flows from operating activities				
Cash generated from operating activities	9	32,819	(24,679)	29,316
Income tax paid		(6,129)	(429)	(2,113)
Net cash generated from operating activities		26,690	(25,108)	27,203
Cash flows from investing activities				
Purchase of property, plant and equipment		(1,087)	(2,758)	(5,173)
Purchase of intangible assets – others		(2,703)	(3,021)	(8,901)
Proceeds from sale of property, plant and equipment		–	–	30
Net cash used in investing activities		(3,790)	(5,779)	(14,044)
Cash flows from financing activities				
Drawdown on loan facility		6,690	39,000	–
Repayment of loan facility		(1,000)	–	–
Cash loss on settlement of treasury investment		(2,954)	–	–
Finance cost		(608)	(479)	(1,979)
Proceeds from issue of ordinary shares		–	6	5
Issue of share capital to minority interest		–	–	1,845
Repurchase of minority interest		(724)	–	(28)
Repurchase of share capital		(14,401)	–	(388)
Dividends paid		(4,101)	(6,345)	(6,415)
Net cash used in financing activities		(17,098)	32,182	(6,960)
Net increase in cash and cash equivalents		**5,802**	**1,295**	**6,199**
Cash and cash equivalents at beginning of the period		4,504	(1,841)	(1,841)
Exchange gains on cash and cash equivalents		263	1	146
Cash and cash equivalents at the end of the period	10	**10,569**	**(545)**	**4,504**

The notes on pages 10 to 19 form an integral part of this consolidated interim financial information.

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 1 June 2008

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 18 July 2008.

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 2 December 2007 were approved by the Board of directors on 7 March 2008 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
These consolidated interim financial statements for the six months ended 1 June 2008 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 2 December 2007, 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 financial statements as were applied in the preparation of the Group's financial statements for the year ended 2 December 2007.

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 1 June 2008

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 reason 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 1 June 2008	Six months ended 3 June 2007	Year ended 2 December 2007	Six months ended 1 June 2008	Six months ended 3 June 2007	Year ended 2 December 2007
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue						
United Kingdom	189,797	171,557	369,735	237,423	222,889	479,521
Europe and Rest of World	105,610	68,830	152,963	57,984	17,498	43,177
	295,407	**240,387**	**522,698**	**295,407**	**240,387**	**522,698**
Gross Profit						
United Kingdom	60,095	55,750	123,321	71,618	66,815	147,459
Europe and Rest of World	42,405	26,762	59,344	30,882	15,697	35,206
	102,500	**82,512**	**182,665**	**102,500**	**82,512**	**182,665**
Operating Profit						
Operating profit before exceptional items:						
United Kingdom				13,401	17,459	44,472
Europe and Rest of World				10,994	2,163	7,785
				24,395	**19,622**	**52,257**
Exceptional items (note 3)						
United Kingdom				(1,957)	–	–
				22,438	**19,622**	**52,257**

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 1 June 2008

2. Segmental analysis (continued)

By location of operating company

	Total assets			Capital expenditure		
	Six months ended 1 June 2008	Six months ended 3 June 2007	Year ended 2 December 2007	Six months ended 1 June 2008	Six months ended 3 June 2007	Year ended 2 December 2007
	£'000	£'000	£'000	£'000	£'000	£'000
United Kingdom	130,319	145,688	155,898	3,622	5,422	12,811
Europe and Rest of World	45,097	30,249	20,395	168	357	1,263
	175,416	**175,937**	**176,293**	**3,790**	**5,779**	**14,074**

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 1 June 2008	Six months ended 3 June 2007	Year ended 2 December 2007	Six months ended 1 June 2008	Six months ended 3 June 2007	Year ended 2 December 2007
	£'000	£'000	£'000	£'000	£'000	£'000
Brand						
Computer Futures Solutions	84,050	68,748	148,096	30,187	23,111	53,850
Huxley Associates	74,698	60,413	134,374	27,593	22,159	50,746
Progressive	58,198	44,254	95,067	19,938	14,087	31,688
Pathway	22,088	21,363	45,279	6,439	5,400	11,595
Others	56,373	45,609	99,882	18,343	17,755	34,786
	295,407	**240,387**	**522,698**	**102,500**	**82,512**	**182,665**
Recruitment classification						
Contract	245,535	199,313	429,121	52,632	41,438	89,143
Permanent	49,872	41,074	93,577	49,868	41,074	93,522
	295,407	**240,387**	**522,698**	**102,500**	**82,512**	**182,665**
Discipline						
Information & communication technology	256,292	217,523	469,883	80,745	68,570	150,139
Other[1]	39,115	22,864	52,815	21,755	13,942	32,526
	295,407	**240,387**	**522,698**	**102,500**	**82,512**	**182,665**

[1] *Including banking and finance, accountancy, human resources, engineering, pharmaceutical and jobboard sectors.*

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 1 June 2008 £'000	Six months ended 3 June 2007 £'000	Year ended 2 December 2007 £'000
Exceptional items – charged to operating profit			
Exchange loss on settlement of financial instruments	1,957	–	–
Exceptional items – before taxation	**1,957**	**–**	**–**

The Group does not have material transactional currency exposures although is exposed to translation differences on the profits and cash flows generated by its overseas operations, the main functional currencies of the Group being Sterling and the Euro. During the prior period some derivative transactions were undertaken to mitigate certain exposures to complex derivative financial instruments and these results include a £2.0m loss arising from having closed the positions before maturity. The Board has since undertaken a review of its foreign exchange hedging strategy to ensure that it is appropriate, given the Group's increasing international business and has adopted a policy not to hedge translation risk, but to hedge transaction exposures, as appropriate, consistent with major listed competitors. As a result of the earlier mitigation, the Group no longer has exposure to complex derivative financial instruments, which the Board believes are not appropriate for the Group going forward.

4. Taxation

Interim period income tax is accrued on the estimated average annual effective rate of 31% (6 months ended 3 June 2007: 31%; Year ended 2 December 2007: 33%).

5. Dividends

	Six months ended 1 June 2008 £'000	Six months ended 3 June 2007 £'000	Year ended 2 December 2007 £'000
Amounts recognised and distributed to shareholders in the year			
Equity			
Dividend paid of 6.2p per ordinary share (2007: 4.8p)	7,903	6,345	6,345
Interim dividend of 3.1p per ordinary share	4,101	–	4,011
	12,004	**6,345**	**10,356**

The final dividend of 6.2p (2007: 4.8p) per ordinary share was approved to be paid on 9 June 2008 to shareholders on record at 2 May 2008.

An interim dividend of 4.0p (3 June 2007: 3.1p) per ordinary share will be paid on 5 December 2008 to shareholders on the register at the close of business on 7 November 2008.

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 1 June 2008

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 year, 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 1 June 2008	Six months ended 3 June 2007	Year ended 2 December 2007
	£'000	£'000	£'000
Earnings			
Profit after tax	14,965	13,166	33,815
Minority Interest	(1,082)	(1,113)	(1,167)
Profit after taxation attributable to equity holders of the Company	13,883	12,053	32,648
Effect of exceptional items (net of tax)	1,344	–	–
Profit for the year excluding exceptional items attributable to equity holders of the Company	15,227	12,053	32,648
	millions	**millions**	**millions**
Number of shares			
Weighted average number of shares used for basic EPS	129.0	129.3	129.8
Dilution effect of share plans	3.4	5.1	5.9
Diluted weighted average number of shares used for diluted EPS	**132.4**	**134.4**	**135.7**
	pence	**pence**	**pence**
Basic			
Basic earnings per share	10.8	9.3	25.2
Basic earnings per share excluding exceptional items	11.8	9.3	25.2
Diluted			
Diluted earnings per share	10.5	9.0	24.1
Diluted earnings per share excluding exceptional items	11.5	9.0	24.1

All earnings are derived from continuing operations

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 1 June 2008

7. Property, plant and equipment

	IT hardware	Leasehold improvements	Fixtures and fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 30 November 2006	6,919	2,001	1,499	221	10,640
Additions	1,240	562	340	170	2,312
Exchange difference	8	–	2	–	10
At 3 June 2007	8,167	2,563	1,841	391	12,962
Additions	1,008	896	957	–	2,861
Disposals	(94)	(67)	(37)	(69)	(267)
Exchange difference	63	20	34	–	117
At 2 December 2007	9,144	3,412	2,795	322	15,673
Additions	327	433	260	67	1,087
Reclassification from intangible assets	49	–	–	–	49
Reclassification	2	(2)	–	–	–
Exchange difference	156	89	86	–	331
At 1 June 2008	**9,678**	**3,932**	**3,141**	**389**	**17,140**
Depreciation					
At 30 November 2006	5,580	716	688	98	7,082
Charge for the period	474	208	130	23	835
Exchange difference	7	–	–	–	7
At 3 June 2007	6,061	924	818	121	7,924
Charge for the period	774	299	307	22	1,402
Disposals	(90)	(46)	(25)	(30)	(191)
Exchange difference	43	5	11	–	59
At 2 December 2007	6,788	1,182	1,111	113	9,194
Charge for the period	695	336	359	30	1,420
Reclassification from intangible assets	–	(1)	–	–	(1)
Exchange difference	105	18	29	–	152
At 1 June 2008	**7,588**	**1,535**	**1,499**	**143**	**10,765**
Net book value					
At 1 June 2008	**2,090**	**2,397**	**1,642**	**246**	**6,375**
At 3 June 2007	2,106	1,639	1,023	270	5,038
At 2 December 2007	2,356	2,230	1,684	209	6,479

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 1 June 2008

8. Intangible assets

	Goodwill	Assets under construction	Computer software	Development costs	Trademarks	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 30 November 2006	206,051	2,361	406	619	63	209,500
Additions	18	2,372	1,536	4,993	–	8,919
Reclassification	–	(2,361)	–	2,361	–	–
At 2 December 2007	206,069	2,372	1,942	7,973	63	218,419
Additions	623	2,492	211	–	–	3,326
Reclassification to property, plant and equipment	–	(49)	–	–	–	(49)
Reclassification	–	(2,885)	109	2,776	–	–
At 1 June 2008	**206,692**	**1,930**	**2,262**	**10,749**	**63**	**221,696**
Amortisation and Impairment						
At 30 November 2006	205,687	–	304	90	43	206,124
Charge for the year	–	–	499	1,019	6	1,524
At 2 December 2007	205,687	–	803	1,109	49	207,648
Charge for the period	–	–	327	1,079	3	1,409
Reclassification	–	–	1	–	–	1
At 1 June 2008	**205,687**	**–**	**1,131**	**2,188**	**52**	**209,058**
Net book value						
At 1 June 2008	**1,005**	**1,930**	**1,131**	**8,561**	**11**	**12,638**
At 3 June 2007	364	–	429	5,587	17	6,397
At 2 December 2007	382	2,372	1,139	6,864	14	10,771

Goodwill

Goodwill has been recognised after the purchase of a –

a) 15% minority interest holding in Jobboard Enterprises Limited, increasing the Group share of identifiable net assets from 80% to 95%.

b) 18% minority interest holding in New Wave Resourcing Limited, increasing the Group share of identifiable net assets from 82% to 100%.

The total amount paid to increase the Group's holding in the above companies was £0.7m.

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 1 June 2008

9. Cash flows from operating activities

	Note	1 June 2008 £'000	3 June 2007 £'000	2 December 2007 £'000
Profit before taxation		21,830	19,174	50,324
Adjustment for:				
Depreciation and amortisation charge		2,829	1,278	3,761
Unrealised losses on financial instruments		–	–	999
Non-cash charge for employee share options and awards		283	119	347
Profit attributable to joint venture		–	(31)	(46)
Profit from partial deemed disposal of subsidiary		–	–	(855)
Finance cost		608	479	1,979
Loss on disposal of property, plant and equipment		–	–	46
Loss on settlement of treasury investment	3	1,957	–	–
Operating cashflow before changes in working capital and provisions		**27,507**	**21,019**	**56,555**
Changes in working capital and provisions:				
Decrease/(increase) in receivables		10,689	(55,670)	(58,500)
(Decrease)/increase in payables		(5,487)	8,986	33,383
Increase/(decrease) in provisions		110	986	(2,122)
Net cash inflow/(outflow) from operating activities		**32,819**	**(24,679)**	**29,316**

10. Cash and cash equivalents

	1 June 2008 £'000	3 June 2007 £'000	2 December 2007 £'000
Cash and cash equivalents include the following for the purposes of the cash flow statement:			
Cash in hand and at bank	10,569	–	4,771
Bank overdraft	–	(545)	(267)
	10,569	**(545)**	**4,504**

SThree plc

Notes to the Financial Statements – unaudited
for the six months ended 1 June 2008

11. Provisions for liabilities and charges

	Property £'000	Other £'000	Total £'000
At 30 November 2006	672	4,952	5,624
Charged/(released) to the income statement	146	(2,268)	(2,122)
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**

Current/non-current analysis:	1 June 2008 £'000	3 June 2007 £'000	2 December 2007 £'000
Non-current liabilities	3,416	6,265	3,252
Current liabilities	228	345	250
	3,644	**6,610**	**3,502**

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 crystallise as follows: within one year £0.1m, one to five years £0.6m and after five years £0.3m.

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 will be utilised within the average statute of limitation period in the countries to which this exposure relates.

12. Share buy back

During the period the Group purchased some 7.2m of its own shares for cancellation, the average price paid per share being 201p. The total consideration paid was £14.4m.

13. Financial liabilities

	1 June 2008 £'000	3 June 2007 £'000	2 December 2007 £'000
Bank overdrafts	–	545	267
Bank borrowings	–	40,000	1,000
Invoice financing	6,690	–	–
	6,690	**40,545**	**1,267**

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% above the RBS base rate.

14. Capital commitments

The Group had capital commitments of £0.2m (3 June 2007: £1.5m; 2 December 2007: £0.6m).

15. Related party disclosure

The Group's significant related parties are disclosed in the SThree plc Annual Report for the year ended 2 December 2007. There were no material differences in related parties or related party transactions in the period or prior period.

SThree plc

Statement of Directors' Responsibilities

The Directors confirm that this condensed consolidated interim financial information 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:

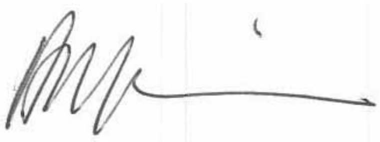
- an indication of important events that have occurred during the first six months, their impact on the condensed set of financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the 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 as shown within the SThree Group plc Annual Report for the year ended 2 December 2007, with the exception of the following changes in the period: Mr McBride and Mr Tilston retired on 24 April 2008, whilst appointments include Mr Smith (from 7 May 2008), Mr Zahawi (from 1 May 2008) and Mr Elden (from 1 July 2008). A list of current Directors is maintained on the SThree Group plc website, www.sthree.com.

By order of the Board

18 July 2008

Russell Clements
CHIEF EXECUTIVE OFFICER



Alex Smith
CHIEF FINANCIAL OFFICER

Audit 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 1 June 2008, which comprises the consolidated income statement, the consolidated balance sheet, the statement of changes in equity, the 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 1 June 2008 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
18 July 2008

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.

SThree plc

Notes

SThree plc

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:

Hargreave Hale Limited
Accurist House, 44 Baker Street,
London W1U 7AL
Tel: 0207 0094900
Fax: 0207 0094999
Att: Mark Chadwick (mc@hargreave.com)

ShareGift

The Orr Mackintosh Foundation 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 0207 930 3737

Financial Calendar 2008/9

Half-year period end – 1 June 2008
Interim results announced – 21 July 2008
Ex-div date for interim dividend – 5 Nov 2008
Record date for interim dividend – 7 Nov 2008
Interim dividend payable – 5 Dec 2008
Financial Year Period End – 30 Nov 2008
Full-year results announced – Feb 2009
Annual General Meeting – April 2009
Final dividend payable – Mid June 2009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