



For immediate release

12 April 2016

RWS Holdings plc

Half Year Trading Statement

RWS Holdings plc ("RWS", "the Group"), the world's leading provider of intellectual property support services (patent translations, international patent filing solutions and searches), commercial translations and linguistic validation, today provides an update on trading for the half year ended 31 March 2016 ("the first half"), ahead of the announcement of its half year results on 7 June 2016.

Trading & Financial Update

The Board expects Group revenues for the first half to be approximately £56.5 million compared to £45.4 million in the first half of 2015, an increase of 24%. The growth drivers have been the core translations activities, an excellent five-month contribution from Corporate Translations Inc ("CTi"), the newly acquired specialist in life sciences translation and linguistic validation, and a gradually improving currency tailwind.

Adjusted profit before tax (before amortisation of intangibles, share option costs and exceptional CTi acquisition costs) is expected to be in line with the Board's recently enhanced expectations and at least £13.8m in the first half of 2016 (H1 2015: £10.8m), reflecting significantly improved gross margins and better than expected currency movements. The patent and commercial businesses have delivered a solid performance; PatBase continues to perform well, growing by 6% during the period; China, Japan and Switzerland contributed strong performances; Germany remains on course in a very competitive environment.

The Group acquired CTi in late October 2015. CTi is the world's leading translation company focussing entirely upon life sciences translation and linguistic validation. The Board decided to integrate its existing UK life sciences activities into CTi to form a larger unit with production sites across continents to build on and expand its market leading position with major pharmaceutical groups and contract research organisations in Europe. The integration is proceeding well.

In a period of considerable currency volatility, the Group has now hedged its estimated net exposure to the Euro at an average rate of 1 Euro = 70.5p to 30 September 2016, and at 80.5p from 1 October 2016 to 31 March 2017.

The Group has continued to strengthen its financial position with shareholder funds expected to be £89 - £90 million at 31 March 2016. The Group raised a five year term loan of US\$45 million as a part of the acquisition cost of CTi. Amortisation of this loan has commenced; otherwise, cash at the half year end was £16.5 million.

Market Update

The World Intellectual Property Office (WIPO) recently published figures showing a 1.7% increase in the 2015 PCT filings to 218,000. Applicants from the USA remain the largest filers under this system with 26.3% of filings, with the largest growth coming from China, up 16.8% on prior year, with a total share of 13.7%. The European Patent Office (EPO) has also issued statistics showing that the total number of European patent filings increased by 1.6% to 278,867 in 2015, again a new record. In addition, European filings from Chinese applicants increased by 22.2%.

Andrew Brode, Chairman of RWS, commented on outlook:

"RWS is performing very well, despite a low-growth world economic environment. We are delighted with the performance of our recent acquisition, CTi, and look forward to significant integration benefits.

"As the premier global supplier of intellectual property support services and now a leader in life sciences, we believe we have a strong and resilient platform upon which to expand.

"Our financial position is robust and the pipeline of further acquisitions is promising. We can, therefore, expect further progress in the second half of the year and beyond."

For further information contact:

RWS Holdings plc

Andrew Brode, Chairman

01753 480200

MHP

Katie Hunt / Simon Hockridge

020 3128 8100

Numis

Stuart Skinner / Kevin Cruickshank (Nominated Adviser)

Luke Bordewich / Michael Burke (Corporate Broker)

020 7260 1000

About RWS:

RWS is the world's leading provider of patent translations and one of the leading players in the provision of intellectual property support services and high level technical, medical, commercial, legal and financial translation services and linguistic validation. Specialist divisions provide for the diverse needs of a blue-chip multinational client base from Europe, North America and Asia in the aerospace, automotive, chemical, defence, electronics, financial, insurance, legal, pharmaceutical, telecommunications and the life science industries. RWS is based in the UK, with offices in Europe, the USA (New York, Connecticut and Chicago), Japan, China and Australia and is listed on AIM, the London Stock Exchange regulated market (RWS.L).

For further information please visit: www.rws.com