

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company

DTZ Holdings plc (In Administration)

Company number

2088415

In the

High Court of Justice

Chancery Division

Companies Court

[full name of court]

Court case number

10632/2011

(a) Insert full name(s)
and address(es) of
administrator(s)I / We (a) Alan Michael Hudson and Benjamin Thom CairnsErnst & Young LLP, 1 More London Place, London, SE1 2AF

*Delete as applicable

attach a copy of ~~my~~ our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 23 December 2011

Signed

Joint / Administrator(s)

Dated

23 December 2011**Contact Details:**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

Renuka Cheema

Ernst & Young LLP, 1 More London Place, London, SE1 2AF

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DX Number

DX Exchange

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Cardiff
CF14 3UZ

23 December 2011

Ref AH/JOC/RD/5452/D10.3
Direct line +44 (0)20 7951 7495

Robbie Drye
email dtzholdingsplc@uk.ey.com

Dear Sirs


DTZ Holdings PLC (In Administration) ("the Company")

In accordance with paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986, I enclose the following documents for filing

- a) Administrators' statement of proposals
- b) Form 2.17B Statement of Administrator's Proposals

Please acknowledge receipt by endorsing and returning the enclosed copy letter / prepaid receipt

Yours faithfully
for the Company


Renuka Cheema
for A M Hudson
Joint Administrator

Encs Administrators' statement of proposals
 Form 2.17B Statement of Administrator's Proposals
 Prepaid envelope and copy letter / prepaid receipt

Alan Michael Hudson is licensed in the United Kingdom to act as an insolvency practitioner by The Association of Chartered Certified Accountants and Benjamin Thom Cairns is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales

The affairs, business and property of the Company are being managed by the Joint Administrators, A M Hudson and B T Cairns, who act as agents of the Company only and without personal liability

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data"). We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998



DTZ Holdings plc (In Administration)

Joint Administrators' Statement of Proposals

Pursuant to paragraph 49 of schedule B1 to the
Insolvency Act 1986

23 December 2011

Abbreviations

The following abbreviations are used in this report:

EY	Ernst & Young LLP
FY09A	Audited Accounts for Financial year ended 30 April 2009
FY10A	Audited Accounts for Financial year ended 30 April 2010
FY11A	Audited Accounts for Financial year ended 30 April 2011
LSE	London Stock Exchange
Onel	Onel Securities Limited
RBS or the Bank	The Royal Bank of Scotland plc
SGP	Saint George Participations SAS
the Company	DTZ Holdings plc
the Proposals	Joint Administrators' Statement of Proposals
the Purchaser	United Group Europe Limited
UKLA	United Kingdom Listing Authority

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1. Introduction, background and circumstances giving rise to the appointment

Introduction

On 4 December 2011 the Company entered administration and Alan Michael Hudson and Benjamin Thom Cairns were appointed to act as Joint Administrators. This document, including its appendices, constitutes the Joint Administrators' statement of proposals to creditors pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986.

Certain statutory information relating to the Company and the appointment of the Joint Administrators is provided at Appendix A.

Background

The Company's business was as a non trading parent company of a group of companies (the "Group") providing national and international property advisory and consultancy services.

The Company was the financing entity for the Group with total secured debt of £109.8m owed to the Bank on appointment.

The Company was listed on the London Stock Exchange ("LSE") and is 53.4% owned by Saint George Participations SAS ("SGP") with the remaining shares being widely held.

At 4 December 2011, the Company's subsidiaries employed approximately 4,700 staff across 43 countries. Approximately 1,400 people were employed in the UK. Please note that the subsidiaries are not subject to any insolvency proceedings. The Company only had one employee who had left and was serving his notice period at the date of appointment.

Circumstances giving rise to the appointment of the Administrators

The Group's performance has been in decline for the last few years due to weakness in its core markets and its high level of indebtedness. The recent financial results of DTZ Holdings plc can be summarised as follows:

£m	FY09A	FY10A	FY11A
Revenue	364.1	356.0	341.3
Total staff expenses	(269.4)	(251.0)	(243.1)
Total other operating expenses	(119.3)	(110.5)	(93.2)
EBITDA	(24.6)	(5.5)	5.0
Operating loss	(30.1)	(13.3)	(2.1)
Interest received	2.7	0.6	0.5
Interest payable	(7.7)	(13.1)	(5.4)
Exceptional items and share of profit from JV/associates	(44.6)	2.2	3.6
Loss before tax	(79.7)	(23.6)	(3.4)
Tax	(7.2)	(0.5)	(6.5)
Loss after tax	(86.9)	(24.1)	(9.9)

In May 2011 the Company announced that it was in discussions with SGP (supported by BNP Paribas) regarding an offer for the whole of the Company. On 17 October 2011 however SGP announced that discussions between it and the Company had been terminated and confirmed it would not be making an offer for the Company. Under the UK Takeover Code SGP was therefore blocked from making a further bid for a period of six months.

This coincided with a liquidity crisis in October 2011 which required the Company to obtain emergency financing after SGP declined a request to draw down funds available under an existing mezzanine lending facility. Without the emergency financing the Company would not have been able to meet its liabilities as and when they fell due.

The emergency financing was secured through a £10.0m super senior facility funded equally by SGP and RBS. However, even with the new £10.0m facility in place, the Company's short term cash flow forecasts indicated that it would run out of cash during January 2012. Furthermore, the Company was due to announce its half year results on 14 December 2011 which would need to include confirmation from the directors regarding the Company's status for the next 12 months as a going concern. Given the Company's cashflow position and that the Bank was not prepared to provide further funding, this would not have been possible.

In light of the above, the directors concluded, with the Bank, that it was necessary to run an accelerated sales process and moreover this was a requirement under the new super senior facility to meet certain transaction timetable milestones. Therefore on 19 October 2011, the Company announced the commencement of a formal sale process through its broker Oriel Securities Limited in order to gain access to funding through new ownership and secure its ongoing viability. The deadline for receipt of non binding bids was 4 November 2011. This sale process is discussed in detail in Section 2.

The value of the offers received in this sale process indicated an enterprise value below that of the existing indebtedness and as such, coupled with the need for additional funding (which was not available), the Company was insolvent.

A pre-agreed sale of the business in Administration was considered necessary because it provided the most likely opportunity of delivering the best outcome for creditors. The directors decided that the appointment of Administrators could not be avoided and on 4 December 2011 the Company filed an application to Court to request the appointment of Administrators. On 4 December 2011 the Court appointed AM Hudson and BT Cairns of EY as Joint Administrators of the Company.

Following appointment, the Joint Administrators completed a sale of the business and assets of the Company to United Group Europe Limited, a subsidiary of UGL Limited, an Australian listed property services Group.

2. Purpose, conduct and end of Administration

Purpose of the Administration

The purpose of an Administration is to achieve one of three statutory objectives

- a To rescue the company as a going concern
- b To achieve a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration)
- c To realise property in order to make a distribution to one or more secured or preferential creditors

Insolvency legislation provides that objective (a) should be pursued unless it is not reasonably practicable to do so or if objective (b) would achieve a better result for the company's creditors as a whole. Objective (c) may only be pursued if it is not reasonably practicable to achieve either objective (a) or (b) and can be pursued without unnecessarily harming the interests of the creditors of the company as a whole.

As noted in Section 1, the value of the offers received in the sale process indicated that an enterprise value below that of the existing indebtedness and as such coupled with the need for additional funding (which was not available) the Company was insolvent. As such the Company could not be rescued as a going concern and objective (a) was not considered achievable.

The Joint Administrators have pursued objective (b) through a pre-agreed sale of the Company's business and assets.

Conduct of the Administration

On 4 December 2011 the Joint Administrators completed a sale of the Company's business and assets to United Group Europe Limited for a total consideration of up to £96.5m. Further information regarding the transaction is given below.

Background to the transaction

As previously stated in Section 1 of these Proposals, the Group's performance had been in decline for several years and it had experienced significant trading and cashflow pressure and could not service its indebtedness.

EY was engaged to carry out an advisory role from September 2011 to November 2011. RBS then engaged EY on 17 October 2011 to evaluate the options available to RBS and the Group. The Joint Administrators and their staff had minimal prior involvement with the work performed by the existing EY team until late October 2011 and worked with RBS and the Company from that date to the date of appointment.

The Company was forecast to run out of cash during January 2012. Given the Company's cashflow position and that the Bank was not prepared to provide further funding over and above the £10.0m super senior facility provided in October 2011, the directors concluded with the Bank that an accelerated sales process was required.

Marketing activities undertaken by the Company and offers received

As a listed Company, the sales process was public, including regular announcements to the stock market, and attracted media attention. The process generated interest from 37 interested parties of which 13 signed Non Disclosure Agreements and were granted access to an electronic dataroom containing information provided by the Company. The process resulted in two non binding offers (including one from the Purchaser) being received by 4 November 2011, both of which indicated a value for the Company significantly below that of its existing indebtedness. The key features of the bids received are as follow.

- 1 The Purchaser ascribed a going concern enterprise value for the Group of £96.2m, with potential further price adjustments to be agreed, and
- 2 A confidential bidder proposed a £30.0m cash injection in return for subordinate loan notes with a face value of £26.0m and a 70% equity holding in the Company. The Mezzanine lender would be required to convert its loan into equity and the senior lender to write down the value of its debt by £23.0m.

Based on these non-binding offers, the Company made an announcement to the stock market on 7 November 2011 that based on the valuation derived from the offers received, there was minimal value, if any, that could be attributed to the ordinary shares of the Company.

On 8 November 2011, the Company's Board voted to enter into a conditional non-solicitation agreement with the Purchaser and the Company announced its selection of the Purchaser as its preferred bidder. In the period from making this announcement to the appointment of the Administrators, the Company did not actively market the business but responded to all incoming enquiries. During this period some 16 enquiries were received. EY observed this process, had daily dialogue with Oriel and received regular updates on incoming expressions of interest.

In addition to this regular dialogue, EY met with the alternative confidential bidder described above in order to fully explore this offer. The structure of the offer required shareholder consent with a scheme of arrangement that would have taken approximately 8 weeks to complete. In addition, the proposal required RBS to write off £23.0m of its secured debt. It was considered that there was insufficient time to implement this proposal considering the company's cashflow position, lack of further funding from its lenders, and the need to provide a statement of going concern by 14 December 2011. Furthermore, the proposal did not have the support of RBS as the secured creditor.

A further non-binding and unfunded offer was received on 2 December 2011 from a confidential bidder to make a £48.8m equity injection to the Company in exchange for 50.1% shareholding and to subsequently refinance the existing debt. The structure of the proposal required the Company to maintain its listing, obtain shareholder consent and would have taken approximately 8 weeks to complete even if the necessary financing had been secured. It was considered that there was insufficient time to implement this proposal and too great a risk considering the Company's cashflow position, lack of further funding from its Bank to bridge to a potential transaction, execution risk and the impact of losing the existing bidder on customers, employees and creditors, and the need to provide a statement of going concern by 14 December 2011. Furthermore, the proposal did not have the support of RBS as the secured creditor.

Sale of business

The Company ran a competitive open market sales process and the Purchaser's final offer indicated a combined enterprise value for the subsidiary companies of £77.5m (subject to a balance held in escrow relating to certain potential liabilities), plus £19.0m for the cash holdings of the subsidiary companies. This was the most attractive of the offers received and the only one considered capable of completion and which had the support of the key creditors.

The principal assets of the Company were shares in its subsidiaries, trademarks owned by the Company, and loan balances due to the Company from its subsidiaries.

The Purchaser paid £15,400,010 to the Company for its shareholdings and trademarks and procured that certain of the subsidiary companies, immediately following completion of the sale, repaid intercompany indebtedness to the Company of £81,099,990. As part of the transaction, the Company also entered into an agreement with its subsidiaries under which it waived all remaining claims for intercompany debts due.

Escrow agreement

Of the £15,400,010 payment, £15,400,000 was paid into an escrow account to be held for a maximum of three years from 4 December 2011 which will be used to settle two potential liabilities of the subsidiary companies. In the event that these liabilities do not crystallise, the balance held in escrow will be paid to the Company less an amount of £2,100,000 repayable to the Purchaser. The payment to the Purchaser has been agreed to ensure that the interests of the Company and the Purchaser are aligned in respect of resolving these potential claims. A mechanism has also been agreed so that in the event that the claims are settled for a lower amount than that currently held in escrow, both parties will receive a proportionate amount of realisations.

The table below summarises the realisations for the Company's assets achieved from the sales process

	Realised 4/12/11 £	Potential future realisations £	Total realisations £
Fixed charge realisations			
Trademarks	1	-	1
Shares in subsidiary companies	-	15,400,009	15,400,009
Floating charge realisations			
Loans owed to DTZ Holdings plc	81,099,990	-	81,099,990
	81,099,991	15,400,009	96,500,000
Less payable to the Purchaser	-	(2,100,000)	(2,100,000)
Total	81,099,991	13,300,009	94,400,000

Cancellation of listing

Immediately following our appointment, we requested that the UK Listing Authority cancel the Company's listing. The UKLA has confirmed the cancellation and delisting of the Company's shares on the morning of 5 December 2011.

Consultation with creditors

The Company's directors and EY discussed the transaction with RBS prior to our appointment and RBS has advised in writing that it is fully supportive of the sale to the Purchaser and would not, given the circumstances, support the Company seeking to enter into a transaction with either of the other bidders discussed above for the reasons outlined previously.

The Bank's secured claims total approximately £109.8m and therefore all economic interest in the transaction is with RBS (other than the prescribed part which will be available for unsecured creditors).

As majority shareholder, SGP holds three seats on the Company's Board of Directors and has therefore been made aware of the progress of the sales process and the development of discussions regarding the transaction through regular Board meetings and correspondence between the Company and SGP. SGP is also the most significant unsecured creditor, with approximately £17.6m owed out of £20.0m of estimated unsecured creditors. SGP confirmed it did not object to the sale to the Purchaser.

Significant assets not included in the sale agreement

No significant assets of the Company were excluded from the sale with the exception of the Company's cash balance of approximately £115,000 which has been swept by the Bank, under its right of set off, towards its outstanding debt

Administrators' receipts and payments

A summary of the Administrators' receipts and payments for the period from 4 December 2011 to 20 December 2011 is attached at Appendix D

Estimated outcome for creditors

Our solicitors, Linklaters LLP, have confirmed that the Bank holds valid fixed and floating charges over the assets of the Company. Following this confirmation a distribution totalling £78.5m under the floating charge was made to the Bank on 8 December 2011. We anticipate that further distributions may be made to the Bank depending on the outcome of the escrow funds and finalising Administration expenses.

We estimate that the Bank will suffer a significant shortfall against its pre appointment indebtedness.

In calculating the £78.5m distribution to the Bank, the Joint Administrators have retained funds to provide for, inter alia, the prescribed part and expected Administration costs.

We confirm that we do not expect a distribution to the unsecured creditors other than under the prescribed part. The prescribed part is explained in Section 4 of these Proposals.

Initial meeting of creditors

The Joint Administrators are of the opinion that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part and consequently, in accordance with the provisions of paragraph 52(1) of Schedule B1 to the Act, they do not intend to call an initial creditors' meeting.

The Joint Administrators will be obliged to call an initial meeting of creditors if one is requested by creditors of the Company whose debts amount to at least 10% of the total debts of the Company. The request must be made within 8 business days of the date on which these proposals are sent out (or such longer period as the court may allow) and must be in the prescribed form. The creditor summoning the meeting must lodge with the Joint Administrators a deposit as security for the expenses of summoning and holding the meeting. Further information is provided in the covering letter accompanying these proposals.

Report on the conduct of directors

The Joint Administrators have a statutory duty to report on the conduct of the directors of the Company to the department of Business Innovation and Skills. The reporting obligations extend to statutory and non statutory directors, officers of a company and persons instrumental in the decision making process of the formation and activities of a company. This is a statutory duty and is part of the Joint Administrators' usual investigation procedures and does not imply any criticism of the directors.

Please note that the report is confidential and will not be disclosed.

Future conduct of the Administration

The Joint Administrators will continue managing the business, affairs and property of the Company in order to achieve the purpose of the Administration. This is likely to include but is not necessarily limited to the following primary areas of work:

- ▶ Understand and conclude on the Company's tax affairs,
- ▶ Understand claims from former employees,

- ▶ Monitor the Purchaser who is responsible for managing the potential claims that the escrow funds relate to,
- ▶ Deal with unsecured creditor claims, as necessary,
- ▶ Comply with our statutory duties to investigate and report on the conduct of directors,
- ▶ Dealing with payments under the prescribed part as appropriate,
- ▶ Comply with the Joint Administrators' reporting obligations to the secured creditor and statutory reporting requirements,
- ▶ Respond to requests for information and enter into correspondence with creditors and members of the Company, and
- ▶ Finalise the Administration including payment of Administration liabilities and distributions to the secured creditors and any preferential creditors

The end of the Administration

The duration of the Administration is 12 months from appointment after which it automatically comes to an end, unless extended by the creditors or the Court

Creditors' voluntary liquidation

It is proposed that, at the end of the Administration, the Company will move straight into creditors' voluntary liquidation upon the filing with the registrar of companies of a notice pursuant to paragraph 83 of Schedule B1 to the Insolvency Act 1986. It is proposed that the Joint Liquidators will be AM Hudson and BT Cairns of EY and that any act required or authorised under any enactment to be done by the liquidators may be done by either or both of them. In accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117A(2)(b) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals and before the proposals are approved. It should be noted in this regard that a person must be authorised to act as an insolvency practitioner in order to be appointed as liquidator.

Dissolution

In the event that the matters relating to the escrow funds are concluded early and there is sufficient time left in the Administration to agree unsecured claims and make a distribution to creditors under the prescribed part and the Court gives permission, the Company will move straight to dissolution.

It is proposed that in this case, the Joint Administrators will send a notice to that effect to the Registrar of Companies. On registration of the notice the Joint Administrators' appointment will come to an end. In accordance with the provisions of paragraph 84(6) of Schedule B1 to the Insolvency Act 1986 the Company will be deemed to be dissolved three months after the registration of the notice.

3. Statement of Affairs

The directors have submitted their Statement of Affairs as at 4 December 2011. A summary is attached at Appendix B.

A Statement of Affairs represents the directors' estimates of realisable value of a company's assets. However, in this case the directors were involved in the sale transaction. The creditor claims are estimates and may be higher than indicated.

The figures have been compiled by Company directors, management and staff and have not been subject to independent review or statutory audit, or independent verification.

We comment as follows on the directors' Statement of Affairs.

Assets included in the sale to the Purchaser

All assets included in the sale of business and assets to the Purchaser have been included in the directors' Statement and Affairs at the value attributed to them by the Purchaser.

The estimated realisation from shareholdings includes the Company's maximum share of the £15.4m to be held in escrow which is £13.3m.

Secured creditors

Royal Bank of Scotland plc, the Company's only secured lender, had total secured lending at 4 December 2011 of £109.8m. Fixed and floating charge security is held in respect of this indebtedness.

Preferential creditors

The directors understand that there is a potential preferential claim for arrears of wages for a former employee and have estimated the claim at the statutory maximum of £800. We understand that the claim is for unpaid pay in lieu of notice and not arrears of wages. Pay in lieu of notice is an unsecured claim.

We will seek to understand the claim to determine whether it is preferential or unsecured.

Unsecured creditors

The directors' estimate unsecured claims in the region of £20.0m of which the largest claim is for SGP at £17.6m. The final quantum of these claims may increase as they continue to be submitted.

4. Prescribed part

The prescribed part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Insolvency Act 1986. The prescribed part applies to floating charges created on or after 15 September 2003 which is the case here.

The Joint Administrators estimate, to the best of their knowledge and belief, that

- ▶ The value of the Company's net property is £94.4m, and
- ▶ The value of the prescribed part will be the statutory maximum amount of £600,000, before the costs of dealing with the prescribed part.

The Joint Administrators do not intend to make an application to the court under section 176A(5) of the Insolvency Act 1986 for an order not to distribute the prescribed part.

The Joint Administrators are still in early stage correspondence with a number of creditors. We will provide creditors with an update in due course once we have a better understanding of likely creditor claims.

5. Administrators' remuneration and disbursements and payments to other professionals

Remuneration

The statutory provisions relating to remuneration are set out in Rule 2 106 of the Insolvency Rules 1986. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Insolvency Practitioners Association at <http://www.insolvency-practitioners.org.uk> (follow 'Regulation and Guidance' then 'Creditors' Guides to Fees'), or is available in hard copy upon written request to the Joint Administrators.

In the event that a creditors' meeting is not requisitioned and a creditors' committee is not formed, the Joint Administrators will seek to have their remuneration fixed by the secured creditor and if the Joint Administrators have made or intend to make a distribution to preferential creditors, the preferential creditors in accordance with Rule 2 106(5A) of the Rules. The Joint Administrators will ask for their remuneration to be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Administration.

Attached at Appendix C is a detailed analysis of time spent and charge out rates, for each grade of staff for the various areas of work carried out to 16 December 2011, as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No 9.

The time costs for the period 4 December 2011 to 16 December 2011 amount to £135,952 at our standard scale rates. This represents 318 hours at an average charge-out rate of £427.39 per hour.

The Joint Administrators and their staff have carried out the following activities:

- ▶ Statutory duties including sending notification of appointment to creditors, filings with the Registrar of Companies, statutory advertising and fulfilling reporting requirements to the creditors,
- ▶ Attending meetings with the directors to explain their role in the Administration and duty to assist the Joint Administrators to comply with their statutory duties,
- ▶ Dealing with creditors, suppliers and shareholders of the Company and the Group following the sale of business and the UKLA to delist the shares, and
- ▶ Dealing with post completion obligation of the sale and purchase agreement.

Disbursements

Appendix C also includes a statement of the Joint Administrators' policy for charging disbursements. In the event that a creditors' meeting is not requisitioned and a creditors' committee is not formed the Joint Administrators will seek the approval of the secured creditor and preferential creditors, if any, to charge category 2 disbursements.

Payments to other professionals

The Joint Administrators have engaged the following other professionals to assist them. They were chosen on the basis of their experience in similar assignments or prior experience working with the Company.

Name of firm	Nature of service	How contracted to be paid
Linklaters LLP	Legal advice	Time cost basis
Hill Dickinson LLP	Legal advice re employee matters	Time cost basis

No fees have been paid to date

6. Pre Administration costs

Time costs incurred pre Administration

We were instructed by the Bank to proceed with a pre-agreed sale of the Company's business and assets in Administration to the Purchaser on 23 November 2011

In accordance with rule 2 33(2B) of the Insolvency Rules 1986 a statement of the amounts of paid and unpaid pre Administration costs is attached at Appendix E and sets out

- ▶ Fees to be charged by the Joint Administrators,
- ▶ Expenses incurred by the Joint Administrators, and
- ▶ A statement of pre-administration costs which have already been paid

The Joint Administrators' time costs and expenses in relation to the sale and purchase agreement and statutory and legal work undertaken prior to appointment on 4 December 2011 amount to £132,247 plus VAT and expenses of £362 plus VAT. These costs have not been paid.

Details of the Joint Administrators' work done includes

- ▶ Dealings with the Company, its advisors and detailed negotiations with the purchaser to effect the sale of business and assets as a going concern following appointment;
- ▶ Dealings with other bidders during the sale process,
- ▶ Liaising with legal advisors to prepare a sale and purchase contract and associated legal documents to facilitate a sale following appointment,
- ▶ Tax planning and other considerations to maximise the return to creditors from the purported sale
- ▶ Consultation with the Bank and SGP about the sale and potential impact on the Administration outcome,
- ▶ Liaising with the Administrators' solicitors and the Company's solicitors to prepare documents for the Administrators' appointment and Administrators' Court hearing,
- ▶ Attendance at Court hearing for the appointment,
- ▶ Liaising with the Company to obtain details of the company creditors, contracts and suppliers to prepare the notifications to creditors, and
- ▶ Preparing statutory letters and notices of appointment and associated procedures to prepare for the Administration

Our solicitors have also incurred pre Administration costs for the period 3 December 2011 to 4 December 2011 totalling £49,093 plus VAT prior to appointment. These costs have not been paid.

The work performed by our solicitors is in relation to advising the Joint Administrators in the sale, finalising the sale and purchase contract, associated legal documents to facilitate the sale following appointment, and liaising with the Company's solicitors and the Joint Administrators in connection with the Administration application to Court.

A pre-agreed sale was considered necessary because it provided the most likely opportunity of delivering the best available outcome for creditors. The work carried out pre appointment effected a transaction that has resulted in better realisations to the creditors of the Company when compared to the alternate actions of a trading Administration or wind down/liquidation of the Group.

Approval of unpaid pre Administration costs

The payment of unpaid pre-administration costs is an expense of the Administration and is subject to approval under Rule 2.67A of the Insolvency Rules 1986. This provides that in the circumstances of this case, where the Joint Administrator has made a statement under the provisions of Paragraph 52(1)(b) to the Insolvency Act 1986 that there is no dividend to unsecured creditors other than by virtue of the prescribed part, the approval for pre Administration costs is made by the secured creditor and, if a distribution is made or intends to be made to the preferential creditors, the preferential creditors.

This approval does not form part of these Proposals. Approval will be sought under separate cover.

Appendix A Statutory information

Company Information

Company Name	DTZ Holdings plc
Registered Office Address	c/o Ernst and Young LLP 1 More London Place London SE1 2AF
Previous Registered Office and Trading Address	125 Old Broad Street London EC2N 2BQ
Registered Number	02088415
Trading Name(s)	DTZ Holdings plc

Details of the Joint Administrators and the appointment

Administrators	Alan Michael Hudson and Benjamin Thom Cairns
Date and time of appointment	4 December 2011 at 17 02
By Whom Appointed	The appointment was made by High Court of Justice, Chancery Division, Companies Court on the application of the Company
Court Reference	10632/2011

Any of the functions to be performed or powers exercisable by the Administrators may be carried out by either of them acting alone or by both of them acting jointly

Statement concerning the EC Regulation

The EC Council Regulation on Insolvency Proceedings does apply to this Administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State

Share capital

Class	Authorised	Authorised	Issued and fully paid	
	Number	£	Number	£
Ordinary shares 5 pence	390,000,000	19,500,000	274,842,449	13,742,122

Directors and secretary and their shareholdings

Name	Director or Secretary	Date appointed	Date resigned (if applicable)	Current shareholding
T D Melville-Ross	Director	17 January 2000		211,637
P T Idzik	Director	3 November 2008	8 August 2011	3,703,703
C Y Leung	Director	14 December 2006	24 November 2011	6,563,775
A Lesniak	Director	8 March 2004	8 December 2011	22,500
F Piedelivre	Director	20 January 2009	15 December 2011	4,253,854
F Tardan	Director	20 January 2009	16 December 2011	Nil
P G M Derrey	Director	20 January 2009	15 December 2011	454,738
R G Rickert	Director	27 May 2009	5 August 2011	Nil
L I Baldry	Director	1 April 2010	8 December 2011	Nil
J Forrester	Director	8 August 2011		311,585
JMD Thomson	Director	8 August 2011		Nil
F Keddie	Company Secretary	18 April 2011		Nil

Appendix B Directors' Statement of Affairs

Rule 2 29

Form 2 14B

Statement of affairs

Name of Company DTZ Holdings plc (In Administration)	Company number 2088415
In the High Court of Justice Chancery Division Companies Court <small>(Full name of court)</small>	Court case number 10632/2011

(a) insert name and address of registered office of the company

Statement as to the affairs of (a) DTZ Holdings plc (In Administration)
1 More London Place, London, SE1 2AF

(b) insert date on the (b) 4 December 2011, the date that the company entered administration

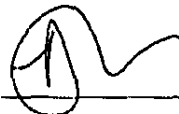
Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs

of the above named company as at (b) 4 December 2011, the date that the company entered administration

Full name James MD Thomson

Signed



Dated 19 December 2011

ACM01803

A – Summary of Assets

Assets	Book Value (£)	Estimated to Realise (£)
Assets subject to fixed charge		
Shareholdings and goodwill	47,453,013 23	13 300 008 00
Trademarks	Nil	1 00
<i>(note that £13 300,008 of the realised amount has been held in escrow, pending resolution of certain claims. The £13,300,008 is net of £2,100 000 which is also held in escrow as an incentive payable to acquirer of the business of DTZ to manage the claims)</i>		
Assets subject to floating charge		
Intercompany	214,115,111 83	81,099,991 00
Cash	35,434 21	
Uncharged assets		
Not applicable		
Estimated total assets available for preferential creditors	281,603,559 27	94,400,000 00

Signature



Date


19 December 2011

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A1 – Summary of Liabilities

		Estimated to realise (£)
Estimated total assets available for preferential creditors (carried from page A)	£	94,400,000 00
Liabilities		
Preferential creditors -	£800 00	
Estimated deficiency/surplus as regards preferential creditors	£	94,399,200 00
Estimated prescribed part of net property where applicable (to carry forward)	£(800,000)	
Estimated total assets available for floating charge holders	£	93 799,200 00
Debts secured by floating charges	£(108 828,208 93)	
Estimated deficiency/surplus of assets after floating charges	£	(18,027,008 93)
Estimated prescribed part of net property where applicable (brought down)	£600,000	
Total assets available to unsecured creditors	£	(15,427,008 93)
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£(20,047,652 11)	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	(20 047,652 11)
Shortfall to floating charge holders (brought down)	£(16,026,208 93)	
Estimated deficiency/surplus as regards creditors	£	(35,474,861 04)
Issued and called up capital	£(13,742,122 45)	
Estimated total deficiency/surplus as regards members	£	(49,216,783 49)

Signature



Date

19 December 2011

A1/2011/001

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
BDO LLP	55 Baker Street, London, W1U 7EU	18 000 00			
Beach Baker Professional Recruitment Ltd	West Point 78 Queens Road Clifton Bristol BS8 1QX	14,160 00			
Carousel Consultancy Ltd	Ingo Place 31-32 Bedford Street London WC2E 9SW	351 00			
Cobalt Recruitment	The Quadrangle 180 Wardour Street London W1F 8FY	968 26			
DELL Computer Corporation	The Boulevard Cain Road Dell Campus Bracknell, Berkshire RG12 1LF	48,177 42			
Elan Computing Ltd	Elan House 5 Ray Street London EC1R 3DR	1,680 00			
Francois Tardan	C/O DTZ Holdings plc (in administration) 125 Old Broad Street London EC2N 2BQ	269 23			
Frank Piedelievre	C/O DTZ Holdings plc (in administration) 125 Old Broad Street London EC2N 2BQ	269 23			

A04/21/023

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Data security given	Value of security £
Hays Accountancy & Finance	Hays House St George's Square New Malden Surrey KT3 4JQ	1,681 16			
Hays Accountancy Personnel	Hays House St George's Square New Malden Surrey KT3 4JQ	625 08			
Hays Specialist Recruitment	Hays House St George's Square New Malden Surrey KT3 4JQ	3,034.29			
Hewlett-Packard International	Amen Corner Cam Road Bracknell Berkshire, RG12 1HN	43,716 23			
HMRC	HM Revenue & Customs Bradford BD98 1YY	125 925 00			
International Management Group (UK) Ltd	McCormack House Hogarth Business Park Burlington Lane Chislewick London W4 2TH	18,500 00			
Isaac Krymowski	12 Rekanah St Tel-Aviv 69494 ISRAEL	1 507 69			
Katie Bard	Neville House 14 Waterloo Street Birmingham B2 5TX	574 20			
London Stock Exchange	10 Paternoster Square London EC4M 7LS	6 037 20			

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Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
MacDonald & Company Ltd	40a Dover Street London W1S 4NW	9 240 00			
Michael Page International	3rd Floor, Wellington House 20 Queensmere Slough Berkshire SL1 1DB	11,681 74			
Pascal Derrey	C/O DTZ Holdings plc (in administration) 125 Old Broad Street London EC2N 2BQ	307 69			
Paul Izzik	C/O DTZ Holdings plc (in administration) 125 Old Broad Street London EC2N 2BQ	500,000 00			
Randstad Financial & Professional (formerly Maron Ward Anderson)	7 Castle Street Edinburgh EH2 3AH	7 181 00			
Robert Rickert	C/O DTZ Holdings plc (in administration) 125 Old Broad Street London EC2N 2BQ	1,637 950 00			
SAS Saint George Participations	46-48 Rue Lauriston 75116 Paris France	17,581,856 98			
Tim Mehillo-Ross	C/O DTZ Holdings plc (in administration) 125 Old Broad Street London EC2N 2BQ	13 948 71			
	TOTAL (unsecured creditors)	20,047,652.11			

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Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
Isaac Krymowski	12 Rekanai St Tel-Aviv, 69494 ISRAEL	800.00			
	TOTAL (Preferential Creditors)	800.00			
Royal Bank of Scotland plc	36 St Andrew Square Edinburgh EH2 2YB	109,826,208.93			
	TOTAL (Debts secured by floating charges)	109,826,208.93			

Signature

Date

19 December 2011

AQUA 803

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
SAS Saint George Participations	46-48 Rue Lauriston, 75116 Paris France	146,852,303	£7,332,615 15	Ordinary shares (£0 05)
SOFIMA s a s	Space Plein Ciel 5, Allée de l'Europe ENTZHEIM TANNERIES 67836 Cedex France	11,470,000	£573,500 00	Ordinary shares (£0 05)
Other (individually less than 3%)	Various	116,720 146	£5,836,007 30	Ordinary shares (£0 05)
TOTALS		274,842,449	£13,742,122 45	



Signature

Date

19 December 2011

AJMD 823

Appendix C Statement of administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No. 9

Charging and disbursement policy

Administrator's charging policy for remuneration

The Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a time code set up for the case. Time charged is in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used. The current hourly rates are higher than the average rates, since hourly rates have increased over the period covered by this fee request.

Normal scale rates for this type of Administration

Grade description	London rate (£/hour)	Tax/VAT rate (£/hour)
Partner	770	1040
Directors		
Executive Director	740	870/920
Director	630	870
Managers		
Assistant Director	540	755
Senior Executive	400	640
Other Senior Professionals		
Executive	295	450
Analyst Level 3	265	240
Assistants and support		
Cashiers	215	240
Analyst Level 2	210	240
Analyst Level 1	190	240

Time analysis for the period 4 December 2011 to 16 December 2011

Activity	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support	Total hours this reporting period	Average Hourly Rate	Time Costs for period 04/12/2011 to 16/12/2011
Bank & Statutory Reporting	6.2	11.3			17.5	493.49	8,636.00
Employee Matters	2.7	10.3			13.0	522.00	6,786.00
Immediate Tasks	3.0	4.0			7.0	498.57	3,490.00
Legal Issues		2.3			2.3	400.00	920.00
Members	2.8	3.0			5.8	511.03	2,964.00
Statutory Duties	12.5	56.7	59.0	63.0	191.2	334.21	63,900.00
VAT & Taxation	31.9	1.8			33.7	804.60	27,115.00
Public Relations Issues	1.2				1.2	630.00	756.00
Accounting and Administration	1.5	11.2		2.0	14.7	398.30	5,855.00
Creditors	9.5	2.0	7.0		18.5	467.03	8,640.00
Job Acceptance & Strategy	2.2	4.2			6.4	479.06	3,066.00
Investigation/CDDA	1.9	1.0			2.9	550.69	1,597.00
Other Assets	2.9	1.0			3.9	571.03	2,227.00
Grand total	78.3	108.8	66.0	65.0	318.1	£427.39	£135,952.00

Administrators' charging policy for disbursements

Statement of Insolvency Practice No 9 divides disbursements into two categories

Category 1 disbursements are defined as specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors or the fee approver if a statement under Paragraph 52(1)(b) has been made. In this case a statement under Paragraph 52(1)(b) as been made.

In line with Statement of Insolvency Practice No 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

Category 1 disbursements incurred as at 16 December 2011 but not paid amount to £230.51 plus VAT.

Category 2 disbursements are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No 9 provides that such disbursements are subject to approval as if they were remuneration.

It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn. It is proposed that Joint Administrators be permitted to draw these expenses. The only Category 2 expenses that may be charged are for mileage at Inland Revenue rates prevailing at the time incurred.

To date, no Category 2 expenses have been incurred.

Appendix D Administrators' receipts and payments account for the period from 4 December 2011 to 20 December 2011

Estimated to
Realise as per
Directors'
Statement of
Affairs

£	RECEIPTS	£
	Fixed charge	
1 00	Trademarks	1 00
13,300,008 00	Shareholdings	9 00
	Total fixed charge receipts	10 00
	Floating charge	
81,099,991 00	Intercompany debts settled	81,099,990 00
	Interest	666 58
	Total floating charge receipts	81,100,656 58
	Total receipts	81,100,666 58
	PAYMENTS	
	Floating charge	
	Distribution to the secured creditor	(78,500,000 00)
		<u>2,600,666 58</u>
	Represented by	
	Interest bearing current account	2,600 666 58
		<u>2,600,666 58</u>

Appendix E Statement of pre-administration costs

Statement of pre-administration costs

	Remuneration £	Expenses £	Detail
Joint Administrators' time costs	132,247	-	
Joint Administrators' disbursements	-	362	
Solicitors' fees – Linklaters LLP	-	49,093	Incurred in the period 3 to 4 December 2011
Total costs incurred	132,247	49,455	
Paid before the administration			
Joint Administrators' time costs	-	-	
Joint Administrators' disbursements	-	-	
Unpaid pre-administration costs	132,247	49,455	

Unpaid pre-administration costs are costs which had not been paid at the date of Administration are still outstanding and are subject to approval under Rule 2.67A of the Insolvency Rules 1986 which does not form part of the standard approval process of these Proposals

Approval for these unpaid pre Administration costs will be sought under separate cover from the secured creditor and if there are any preferential creditors, the preferential creditors